

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

In reply refer to: KR-7C

The Honorable Patty Murray United States Senator 601 West Main, Suite 1213 Spokane, WA 99201-0613

Dear Senator Murray:

Thank you for your letter dated March 13, 2002, regarding Bonneville Power Administration's (BPA's) proposed Grand Coulee-Bell 500-kV Transmission Line Project (Eastern Washington Reinforcement). The BPA Project Manager, Mark Korsness, has contacted your constituent, Marcella Elston, in response to her letter on behalf of the Five Mile Prairie Neighborhood Association. The Association is concerned about proposals to build this line on BPA's existing right of way in Spokane near their homes. Mr. Korsness will be attending a meeting with Marcella Elston and other homeowners on April 26, 2002. We will give full consideration to all their comments, and answer all their questions, along with all the other questions we have received from the public, in the Draft Environmental Impact Statement due out early this summer.

Thank you for bringing their concerns to our attention. If you have any questions, please contact me or have your staff contact Mr. Korsness, at 360-619-6326.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

PATTY MURRAY
WASHINGTON

United States Senate

APPROPRIATIONS
BUDGET
HEALTH, EDUCATION, LABOR
AND PENSIONS
VETERANS: AFFAIRS

COMMITTEES:

WASHINGTON, DC 20510-4704

RECEIVED BY BPA
ADMINISTRATOR'S
OFC-LOG #: 02 0//

RECEIPT DATE:

4.18.02

DUE DATE:

5.2.02

March 13, 2002

Mr. Mark Korsness Project Manager Bonneville Power Administration Public Affairs

PO Box 12999 Portland, Oregon 97212-0999 ASSIGN: KR-70

cc: A-7, D-7, KN/Wash, KR-7, L-7, KE-4, Rob Swedo-KR/Spokane,

TN-OPP-3, Mark Korsness-TNP-TPP-3

Dear Mr. Korsness:

Please find enclosed a copy of correspondence sent to my Spokane District office by Marcella Elston. Ms. Elston is concerned because of the proposed expansion of the Bonneville Power Administration line in Northwest Spokane to include 175 - foot towers...

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Judy in my Spokane District office at 509-624-9515 or by fax at 509-624-9561.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\sw

2930 WETMONE AVENUE SUITE 903 EVERETT, WA 98201-4107 (425) 259-6515

2988 Jackson Federal Building 915 2nd Avenue Seattle, WA 98174-1003 (206) 553-5545

601 WEST MAIN SUITE 1213 SPOKANE, WA 99201-0613 (509) 624-9515

140 FEDERAL BUILDING 500 W. 121H STREET VANCOUVER, WA 98660-2871 (360) 896-7797

402 E. YAKIMA AVENLIE SUITE 390 YAKIMA, WA 98901-2760 (509) 463-7462 March 8, 2002

Senator Patty Murray US Senate

Dear Madam:

We the undersigned wish to protest the proposed expansion of the BPA line in Northwest Spokane to include a 500 KV line on 175-foot high towers.

When this Right of Way was created a half century ago, no one envisioned a structure of this size or voltage. The Right of Way at that time ran, appropriately, through open rangeland. The area to the West of the Bell substation is now, for several miles, overwhelmingly residential. It also includes Whitworth College campus, Five-Mile neighborhood, Forest Hills Development, and the Indian Trail area. Many studies have shown EMF health hazards which are of some concern when houses are built immediately adjacent to the Right of Way. It would also loom over The Little Spokane Natural Area and through Riverside State Park.

BPA does not suggest any steps to ameliorate its impact including such steps as:

1) Painting the towers moss green as is done in some parts of Europe to help minimize the loss of property values.

2) Shorter towers would also be an important help. Certainly no new towers should be taller than the existing structures.

3) Sensitive location of towers to take advantage of terrain and trees to screen the view. This land once sold at \$20 an acre when the lines were originally constructed; it now sells for approximately \$10,000 and acre; circumstances have changed greatly. The damage to property values is thus considerable. No mention has been made of compensation for the very substantial loss in value that this construction will cause.

This type of impact has been recognized in the construction of cell towers and Spokane County has rightly regulated their height and appearance, yet they are much less intrusive than the proposed BPA towers.

Avista Power in December of 2001 felt it could provide an alternate route South of Spokane city limits through open country side and do it for far less than BPA proposes to spend. This option should be thoroughly explored and explanations given as to why it is not being followed. See attached article from Spokesman Review dated December 2001.

Eventually future expansion will no doubt be needed. Now is the time to plan the route for the future around the City of Spokane and densely populated areas; both for the present time and for years to come.

Attached is a petition signed by 135 Spokane County residents. More signatures are being gathered. We ask for your help in seeing that this matter is given proper consideration.

Sincerely.

Marcelle Elsten

Marcella Elston

Co-Chair, Five Mile Prairie Neighborhood Association

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We request that Bonneville Power Administration not construct 3,500kv power lines and their accompanying metal towers in the urban neighborhoods of north Spokane; especially in the neighborhoods of Indian Trail, Five Mile, Forest Hills, and Whitworth.

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# Just rayista s objections, BPA to proceed with power line

ompany says agency's plan will <u>cost</u> wice as much as one Avista proposed

ly Bert Caldwell taff writer The Bonneville Power Administration will roceed with plans to expand transmission apacity between Spokane and Grand Coule despite claims by Avista Utilities that here are less expensive ways to eliminate a vottleneck in the area, BPA spokesman Edwissey said Friday.

And short-term fixes already in place should see the Northwest through the winter, Mosey said.

Timetables call for new wire between Grand Coulee and the Bell Substation in north Spokane to be in place by 2004. The 80-mile line would increase carrying capacity by about 500 megawatts to 3,500 megawatts. Officials are reviewing an environmental

study prepared for the project in 1991, when construction was put on hold because there was no immediate need for the upgrade.

Also, Bonneville and Avista agreed to

more modest improvements in capacity and cooperation in management of their grids around Spokane. That 10-year pact expired Oct. 31.

Avista Utilities President Scott Morris sent a letter to the region's political leaders last week warning that without a new agreement, much of the generating capacity east of Spokane could be isolated during periods of heavy demand.

Closure of two aluminum smelters at Mead and Columbia Falls, Mont., in the past year exacerbated the transmission problem.

Together, the plants soaked up 725 negawatts of power, almost enough to energize 500,000 homes. With the plants off line, the power must be moved farther west,

But the 2,800 megawatts of transmission capacity west of Spokane is fully committed. Bonneville's solution to the problem could cost \$250 million, according to the Avista letter, which adds that Avista's alternative would cost half that.

Mosey said Bonneville estimates the cost

ontinued: Power/A11

4 the Business desk: (509) 459-5458; fax (509) 459-5482; e-mall business@spokesman.com Online busines

Online business news: www.spokesmanreview.com

# **Power.** Avista says letter was a push for a solution

ontinued from A10

of the line to Grand Coulee will cost \$110 million. Improvements proposed by Avista at about the same cost will increase capacity to just 3,050 megawatts.

The Western Systems Coordinating Council, charged with assuring the reliability of transmission grids in the western states, has already approved Bonneville's proposal, he said, adding "We think the merits of our gropbsal will be obvious to everyone."

Mosey said no one has contacted Bonneyille about the Avista letter, which was sent to 23 officials, including

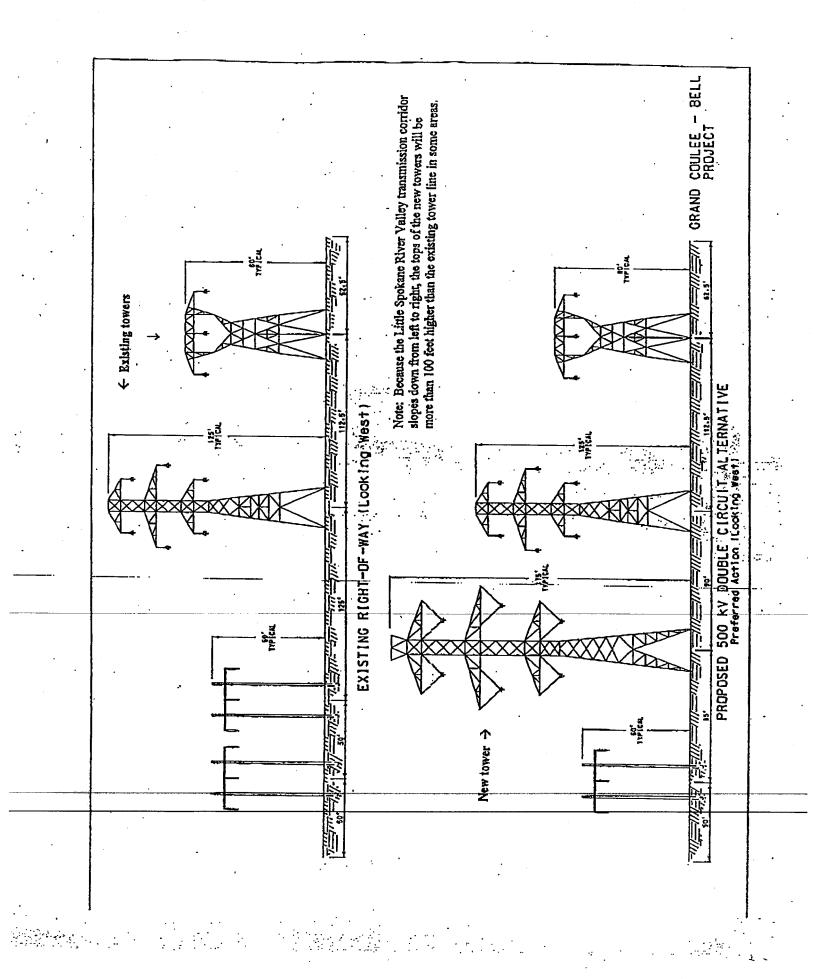
And, he said, Avista wants to assure its own transmission lines, with lesser capacity than Bonneville's, are not overloaded if a squeeze develops for power moving through Spokane.

Avista spokesman Hugh Imhof said the company put the transmission issue in play to ratly Northwest behind a

solution.

Deputy Secretary of Energy Francis Blake.

Business writer Bert Caldwell can be reached at (509) 459-5450 or by e-mail at berto@spokesman.com



# Department of Energy



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

APR 1 5 2002

In reply refer to: KR-7C

The Honorable Gordon Smith United States Senate Washington, DC 20510-3704

Dear Senator Smith:

This is in response to your letter of April 2, 2002, conveying concerns from your constituent, believes that Bonneville Power Administration (BPA) owes him money from his time of employment with this agency.

retired from BPA service in September 2001. He states in his letter that he was told he would receive a \$25,000 payment upon retiring from BPA. He says that he did not receive this payment. In fact, BPA records show that on October 18, 2001, included with his final BPA paycheck,

received a \$25,000 voluntary separation incentive. This amount was paid through automatic deposit with his bank.

did not receive the fiscal year 2001 team share award that other members of his unit in Internal Audit received because he did not achieve the requisite performance rating in FY 2001. Internal Audit's recognition policy limits eligibility for these awards to those employees attaining a specified performance rating.

BPA works very hard to treat and compensate its employees fairly, to address employee performance problems and to recognize and reward successful performance. Our record is very good, and we are always working to improve. I am sorry if does not feel he had a good experience in his employment with BPA.

If I can answer any questions for you, please contact me, or have your staff contact Leanne Cesario, staff manager, at 503-230-4195.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

COMMITTEES: BUDGET COMMERCE ENERGY AND NATURAL RESOURCES FOREIGN RELATIONS

# United States Senate

WASHINGTON, DC 20510-3704

April 2, 2002

Mr. Steve Wright
Acting Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208

4.3.02 4.17.02 ASSIGN: 188.00

cc: A-7, D-7, KN/Wash, DN-7, C-4, CH-1

Dear Mr. Wright:

Please find enclosed a copy of a letter I recently received from regarding money he feels he is owed by the Bonneville Power Administration. In an effort to provide my constituent with an appropriate reply, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 S.W. Salmon Street, Suite 1250, Portland, Oregon 97204.

Thank you in advance for your prompt attention to this matter.

Sincerely,

Gordon H. Smith United States Senator

GHS:jsr Enclosure

Copy:

March 6, 2002

Senator Gordon Smith 121 SW Salmon Street Suite 1250 Portland, OR 97204

In Re: Mr. Geoff Renner Communication.

Dear Senator Smith:

This is in response to your staff member Geoff Renner. He said your staff could help resolve this.

I was retired by the Bonneville Power Administration in September 2001.

On 11 January of 2001. I was informed in a letter from my boss, that I would receive \$25,000 upon retirement. I did not receive this promised money.

I also should have received approximately \$4,000 from the bonus shared by my group for the period of fiscal year 2001. I was on administrative leave for the period 11 December 2000 until retirement. Human resources told me that my performance was bad and therefore did not entitle to a share of the bonus. This is illogical.

Your help on this will be appreciated. My career was a nonevent. After an EEO settlement in December 1987 I was shuffled from one nonjob to another and never promoted back to the grade I had when I transferred to BPA from the Rural Electrification Administration.

Sincerely,

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### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

May 9, 2002

In reply refer to: KR-7C

The Honorable Senator Gordon Smith One World Trade Center 121 SW Salmon Street, Suite 1250 Portland, OR 97204

Dear Senator Smith:

This is in response to your letter to Bonneville Power Administration (BPA) of April 9, 2002. The letter forwarded the concerns of your constituents, who believe that problems they have had on their dairy farm are due to "stray voltage" from a nearby BPA substation.

BPA has conducted extensive tests and investigations at BPA's facilities on the property. We did not find that BPA equipment, transmission lines, or structures were inducing stray voltages onto the property. I am enclosing our most recent measurements made at our substation. Our transmission line and substation at the property reflect our present design standards as they are carried out throughout our transmission system.

As we describe in an earlier letter I sent to Senator Ron Wyden (enclosed), stray voltage is neutral-to-earth voltage and it is normally referred to in regard to animal contacts. When first complained about stray voltage, local electric utility, Coos Curry Electric Cooperative, isolated the dairy facility from the utility's system-neutral. For all practical purposes, this eliminated any interaction between the dairy's neutral system and the utility's neutral. BPA later made a measurement at his milking parlor on February 15, 2000, and sent a copy of those measurements to him on March 7 of that same year. The data documents that there are no harmful stray voltages at his milking parlor. Because of the Coos Curry's modifications at the dairy facility, any changes BPA makes at its substation should have no effect on stray voltage within the milking parlor.

On behalf of , the Oregon Public Utility Commission recently requested BPA, Coos Curry Electric Cooperative and Verizon (the local telephone provider) to review all the actions we've individually taken to see if there is anything more that we think will actually help the situation. The three utilities have met and BPA has concluded there is nothing that we can do.

To date, it appears has done his own tests for "stray voltage." He has done his own analysis and come to his own conclusions based on those measurements. Bonneville has

supplied information to an engineering firm that apparently hired to help with his situation under a Freedom of Information Act (FOIA) request. We encourage

to continue working with qualified specialists who will use the appropriate methods and know how to interpret the findings. As stated in our letter to Senator Wyden, we believe that should consult with an expert to review and evaluate his farm for conformance with National Electric Code standards.

I am very sorry that the are not satisfied with what the utilities have done for them, but we believe that BPA's transmission facilities are not causing any problems. We trust this fully responds to your inquiry.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

1 Enclosure

GORDON H. SMITH OREGON COMMITTEES: BUDGET COMMERCE ENERGY AND NATURAL RESOURCES FOREIGN RELATIONS

# United States Senate

WASHINGTON, DC 20510-3704

# FAX COVER SHEET

TO:

Roger Seifert, Congressional Contact, Bonneville Power

Administration (202) 586-6762

FROM:

Maureen Hovenkotter @ Senator Smith's Portland Office

DATE/TIME:

April 9, 2002; 10 a.m. pdt

There will be two page(s) following this cover sheet.

**COMMENTS:** 

BPA Headquarters, legal department, advised me to forward this Congressional Inquiry to you. Please let me know at (503) 326-2732 if you are not the appropriate person to handle this matter, and if you know who is.

Thank you for your assistance.

IF YOU HAVE PROBLEMS RECEIVING THIS FAX, PLEASE CONTACT SENATOR GORDON SMITH'S PORTLAND, OREGON OFFICE AT (503) 326-3386e to

www.gsmith.senate.gov oregon@gsmith.senate.gov

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APR-05-02 02:57 PM FZ

Urgen+ Request!

U.S. Senator Gordon Smith FAL 503-326-2900 March 282002 Portland, Oregon

Dear Senator Smith:

We need your help on a very serious issue.

. We have dairyed here since 1915 on this property.

Two years ago we discovered we had stray voltage. Bonneville Power Administration has helped by doing some changes to their substation. The changes they made seem to be resulting negatively to our stray voltage dilemma in our milking parlor.

We the owners/operators request your assistance in this matter as Bouneville Power claims they have done all they can. They refuse to give us research test results as promised by their engineers here doing fieldwork.

Mean while this farm is slowly being destroyed by stray voltage which we are documenting with 24 hour a day voltage recorder.

Bonneville Power has the resources to fix this problem on what they are contributing. Please render some assistance!

Sincerely:

Please respond received

ENERGY AND NATURAL RESOURCES

BUDGET

DUE BATE:

Fax: (202) 586-6762

RECEIVED BY BPA

ADMINISTRATOR'S OFC-LOG #: 02

GORDON H - SEMITH

7310

# United States Senate

**WASHINGTON, DC 20510-3704** 

April 9, 2002

Mr. Roger Seifert
Congressional Delegate
Bonneville Power Administration
Washington, D.C.

Dear Mr. Seifert:

Please find enclosed a copy of a letter I recently received from largarding problems they are having with stray voltage in their milking parlor. In an effort to provide my constituent with the information requested, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 S.W. Salmon Street, Suite 1250, Portland, Oregon 97204.

Thank you in advance for your prompt attention to this matter.

Sincerely,

Gordon H. Smith United States Senator

GHS:mh Enclosure

ASSIGN: KR-7C

cc: A-7, D-7, KN/Wash, Anne Morrow-KR-7C,

John Cowger-TR-TPP-4

(Amilar to #01.0407)

| Post-it® Fax Note 7671 | Data                   |
|------------------------|------------------------|
| 1801                   | Date 3.0 2# of pages G |
| Co/Dept.   B           | From Trages 9          |
| Phone #                | HO KR-7C)              |
| Fax # (360)418.2261    | (363)230-4656          |
| 0.226                  | C503)230-4019          |

# THE OF A

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

MAY 1 6 2002

In reply refer to: KR-7C

The Honorable Patty Murray United States Senator 601 West Main, Suite 1213 Spokane, WA 99201-0613

Dear Senator Murray:

Thank you for your letter dated March 13, 2002, forwarding the concerns of your constituent, is concerned about Bonneville Power Administration's (BPA's) proposed Grand Coulee-Bell 500-kV Transmission Line Project (Eastern Washington Reinforcement). The BPA Project Manager, Mark Korsness, has contacted your to discuss his concerns. BPA will give full consideration to his comments and answer all his questions – along with the other questions we have received from the public – in the Draft Environmental Impact Statement due out early this summer.

Thank you for bringing these concerns to our attention. If you have any questions, please contact me or have your staff contact Mr. Korsness, at 360-619-6326.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

United States Senate

WASHINGTON, DC 20510-4704

COMMITTEES:
APPROPRIATIONS
BUDGET
HEALTH, EDUCATION, LABOR
AND PENSIONS
VETERANS' AFFAIRS

May 6, 2002

RECEIVED BY BPA
ADMINISTRATOR'S
OFG-LOG #: 02.0148
RECEIPT DATE:
6.09.02

DUE DATE:
6.23.02

Mr. Rob Swedo Constituent Account Executive Bonneville Power Administration 707 W Main Ave #500 Spokane, Washington 99201

spokane, washington

Dear Mr. Swedo:

ASSIGN: [Skale]
cc: FO3, KN/Wash, KR-7, KE-4,
KR/Spokane [Swedo], KR/WSGL [Custer],
TNP-TPP3 [Korsness], TN-OPP3 [Courts],
KEC-4 [Graetzer]

Please find enclosed a copy of correspondence sent to my Spokane District office by is concerned because BPA is planning to put high-powered transmission lines in his neighborhood and he worries that it's going to put people's health at risk.

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Shannon in my Spokane District office at 509-624-9515 or by fax at 509-624-9561.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\sw

# April 30, 2002

# Dear Patty Murray,

I am writing to you because I have learned of the BPA's plans to put high-powere. transmission lines next to where we are living. They plan to build 17 story towers to carry these lines. We live here with our 16-year-old son- We also have three small grandchildren who live in apartments and count on our yard as their place to play outside. My biggest concern is for their health. There have been so many studies pointing to health risks, especially to children who live + play near these limes.

The houses that have backyards along these lines have a large number of children living in them. We have no park near us so all the neighborhood children play & side their bikes on the trails under these lines.

There is such a simple solution. Please insist that any new high-powered transmission he hurinal under around when then

# ATES OF PARTY

### Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

In reply refer to: CHM-1

The Honorable Maria Cantwell United States Senate Jackson Federal Building 915 2<sup>nd</sup> Avenue, Suite 3206 Seattle, WA 98174-1003

Dear Senator Cantwell:

This is in response to your letter of March 12, 2002, on behalf of your constituent, is disabled and is seeking employment with Bonneville Power Administration. His parents have written to you asking whether you can help.

Federal regulations allow severely physically handicapped persons who meet certain criteria to be referred and appointed to federal jobs without competition with other job candidates.

Accordingly, vocational rehabilitation officer has worked through BPA's personnel specialist responsible for non-competitive hiring. BPA's personnel specialist has referred to BPA management on two job opportunities at BPA. While he was not selected for either position, BPA jobs will continue to be made available through this process, so noncompetitive selection remains an option for him.

may also apply for jobs at BPA through competitive procedures. We currently have an announcement posted on our website (<u>www.bpa.gov</u>) for Electrical Engineer at multiple grade levels. He may wish to check the site periodically for other employment opportunities.

I believe that parents have a misunderstanding regarding the federal government doing any "preferential hiring" of disabled persons. Both the Rehabilitation Act of 1973 and Title I of the Americans with Disabilities Act require employers to provide qualified individuals with disabilities an equal opportunity to benefit from the full range of employment-related opportunities available to others. However, neither Act grants hiring preference to applicants with disabilities.

There may also be a misunderstanding about the Career Information Open House referred to in the letter written by parents. This was simply an information sharing session; it was not a recruiting session or a job fair. Applications were not solicited or accepted at the open house, and jobs were not filled as a result of the open house.

BPA is doing more hiring now than we have in some time, and I encourage to continue to pursue the avenues I've mentioned. I appreciate the opportunity to respond to concerns, and I appreciate his interest in employment with BPA. We wish him well in his future career endeavors.

Sincerely,

Stephen J. Wright

Administrator and

**Chief Executive Officer** 

Style / Wyst

COMMITTEES: ENERGY AND NATURAL RESOURCES JUDICIARY SMALL BUSINESS

# United States Senate

**WASHINGTON, DC 20510-4705** 

March 12, 2002

Mr. Steve Wright, Administrator Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon, 97208 RECEIVED BY BPA
ADMINISTRATOR'S
OFC-LOG #: 02.0081
RECEIPT DATE:
3.18.02
DUE DATE:
4.1.02

RE:

ASSIGN: ICR 7 C cc: A-7, D-7, KN/Wash, C-4, CH-1, Susan Custard-CHP-1

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following documents provide an explanation of my constituent's concern's or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone:206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell
United States Senator

MC:jp Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353–2507
FAX: (509) 353–2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404

☐ 717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510–4705 (202) 224–3441 FAX: (202) 228–0514

Senator Cantwell Jackson Federal Building 915 Second Ave. Suite 3206 Seattle, Washington 98174-1003

3-3-02

Dear Senator Cantwell,

We have been advised to bring our problem to you. We had contacted our State Representative, Jim Dunn, to see if he could make any difference with the problem that we are having. His office ran into the same brick wall that our son has been running into up until now. They suggested that we contact you, because you are on a federal level.

educated and employable. He is willing to do any further education that would make him fit into an employment situation. He is very motivated to work and he is very dependable if he is given a chance to prove it. He is disabled and in a wheelchair and on Medicare and Medicaid and that makes it impossible to get a job in the northwest high technical field. I will explain that statement as this letter progresses. Because of the difficulties he has in finding a job he decided to ask for help from Vocational Rehabilitation to help him get in the door for an interview. They have not managed to cross the barriers that are set in place either. We are not sure if they just can't handle someone that is looking for such a higher level job or if they just don't have much real clout.

I spoke of the impossible requirements that it takes to get a job in the northwest if you are in his position. To be hired in any high technical firm, he would have to be hired into a temporary agency and then the firms hire out of those temporary agencies. The temporary agencies do not have any benefits while you work for them. They don't have medical insurance or even offer full time employment. Right now, medical needs are covered with Medicaid and the State of Washington pays for an assistant for him. He receives social security and if he wanted to vegetate his mind away he could just spend the rest of his life where he is. If he ever became uninsured he would be labeled with the title of having a preexisting condition. Then his disability would not be covered in the future. That just can not happen. If he earns over seven hundred he looses his paid assistant and most temporary jobs are part time and don't pay enough for him to pay for his daily needs and a helper.

When he was in high school he said he wanted to be a productive person and he has done everything in his power to over come his physical restrictions. He knew he would need a good job to afford to pay for his own assistant. That has not deterred him from taking on a hard road for a future. To keep himself in an updated position he continually takes classes at various colleges. He already has his Masters Degree in Electrical and Computer Engineering. He also added Business Management classed and extensive Math classes. The best part of his education is the fact that it has excited his mind to think of new innovations. The bad part is that no company will give him a chance to prove his worthiness.

Finally he decided that his best chance to prove himself would be by offering his time for free as an intern. He could keep his present situation in place until he could prove himself.

Sharp Electronics gave him a six-month internship on a project that was discontinued just as his internship came to an end. At that time they shut down the entire department so he had no place to go. It still proved that he was a good employee but it did not get him over the requirement to go through a temporary agency.

We had heard in the news that all federal agencies would be giving preferential hiring to the handicapped. This made him very hopeful to get a chance to prove himself. Bonneville Power is not far from his home and that would be in his field. When we brought this to the attention of Vocational Rehabilitation, they couldn't seem to do any thing with this possibility. We told them to offer B. P. A. the plan of having work for a year for free to prove himself. B. P. A. said they couldn't afford to train an intern. I think that Vocational Rehabilitation would even pay for any training expenses if B. P. A. asked for that cost. is very motivated to prove himself to B. P. A. because it really is his last chance. He realizes that he is pushing them hard to give him a chance but he would be the best employee they ever had if they would let him work.

was taking another class on computer programming when a notice was posted at the school. B. P. A. was having an open house to encourage people to apply for jobs at B. P. A. He contacted his contact at Vocational Rehabilitation and they couldn't do anything for him. Then contacted Representative Jim Dunn about the situation and when he asked about the notices he was told that they were hiring out of the community colleges but that they were only hiring technicians. That's not what the notices advertised. The notice is attached and it lists electrical engineers. There is a lot of hiring

happening in Vancouver and they shouldn't be passing in a wheelchair.

over because he is

Vocational Rehabilitation has purchased a desk for him and helped him get his driver's license. They said they are doing everything they can to make him hirable. Private industry won't let him in so he is praying that a federal agency will give him a chance. He has a specially adapted home and support system built up to make his life work in Vancouver. He just needs a chance to be a productive person. I think it's a sad thing to have to have him beg and pressure to get a job but he's been at it for over three years. This has been through a time when all companies said they couldn't get enough educated people to work and has continued up until now. We realize that it's hard to get a job at this time but if B. P. A. is hiring then should have a chance before anyone else is hired as an engineer.

Please help us make B. P. A. aware that they should be giving him a chance to be a productive person because they are suppose to be hiring the handicapped. This is what our President has said isn't it? Is there anything else that we can do to break through this impossible barrier that he has been experiencing? Does he have any thing that he could do legally? I guess we sound pretty desperate, but he just wants to be a regular contributing citizen. We can't bring ourselves to tell him to give up but it's hard to keep him looking towards a meaningful future. He is so educated and it's just such a waste of a good mind.

I am going to include all the prior communications and the phone numbers of all the people that he has been dealing with up to this point. Anything that you can do to help would be so appreciated.

Sincerely,

Copy of Letter # 1

State Representative Jim Dunn P.O. Box 40600 Olympia, Washington 98501

Dear Sir,

I guess we have reached the point of desperation. Maybe you can look at the situation and find some fairness for our son.

The Federal Government is supposed to make an effort to hire the handicapped. Our son is physically handicapped, but he has a lot going for him. He has earned a Masters Degree in Electrical and Computer Engineering from Portland State University.

He has struggled for several years to get hired. He asked Vocational Rehabilitation to help him find a job. They helped him get his drivers license and has assigned him to job councilors. We believe that these councilors aren't used to working with someone that is so highly educated and would be seeking a job of hirer pay. Actually, we really don't know why he hasn't been placed by this time.

What ever the reason is that he hasn't had a job placement isn't solving the problem. Our son has even offered to work for one year as an intern with no pay in order to prove that he can do the job. We really don't know what else he could do to prove his abilities.

He has been trying to get a job for several years now and nothing gets done. He has given up trying to get into private industry because they can't seem to get past his wheelchair. Bonneville Power is located near his home and he hasn't hardly been considered for a job with them. Vocational Rehabilitation has said that they have tried to get him on with them but nothing has happened.

He lives on disability social security and Medicaid / Medicare covers his medical needs. He must go to work for someone that does have medical coverage. He wants to be a contributor to society, not a user of society.

He will have to pay for an assistant to help him with his daily needs out of his wage. That's why he worked so hard to earn a degree in a field that pays well enough to cover his needs. His mind is sharp and his education is just being wasted. He has assured anyone that hires him that he is willing to take a class in any area that is specifically for that company.

Our son lives in his own specially equipped home. He requires help with some of his daily needs and has built up a good support system. He needs to stay in this area to maintain all of his connections. It would really work out well if Bonnieville would give him a chance.

He has not wanted to write to anyone to beg for him to get a job because he has his pride. A friend at Bonneville Power told him to not settle for being put on the back burner any more. He told him to speak up for his rights but this is very hard for him. If you could find out why he is having so much trouble getting a placement it would renew his faith in the system.

I have specifically referred to him as he in this letter because his name should not be the reason he receives fairness. When he paid his way through school he said it was because he would have such a good education that people would look past his handicap. This letter is from us because we have watched his hurt and frustration. Attached is some paperwork that outlines his qualifications.

Sincerely,

Experience: I have years of programming in C and C++ Programming Languages. Also I have done Java Object Oriented Programming. I have considerable research and study group experiences.

## Work experience:

Currently Basics chas March 2000 - September 2000 Intern Camas, WA Sharp Labs of America \* Group Member on the HAVi Project

\* Test and verify the HAVi Stack using test specifications.

\* Modify the code if errors were found.

\* Document and report status of the tests.

\* Report on current schedule and help others as needed.

\* Answer Specification Edit requests with respect to Sharp's project direction.

\* Study and get a feel for the JAVA HAVi implementation as time permitted.

1995 - 1987 Research Group Member Portland, Or. Image Research Group Member

\* Research and development of Image Compression and to expand options for a thesis.

### Education:

1994-1997 Portland State University, Portland, Or. GPA:3.39 Master of Science Degree, Electrical and Computer Engineering

- Experience in the following areas of study: Communications System Design Theory, Control System Design Theory, Linear System Analysis, and JPEG Image Compression Theory.
- \* Software Experience involved C and C++ programming both on

the IBM PC and on the Unix System using the ANSI C standard, and two years of internet experience answering questions and problem solving.

- \* Master Thesis Topic: Optimal Block and Optimal Block Entropy for a gray level JPEG image. To better the image compression. Proving and bettering research group results.
- \* Experience in Engineering Management in the following areas: Legal Constraints for Managers, and accounting courses. The major goal of these courses was to better team interaction and sharpen management skills.
- 1990-1993 Oregon Institute of Technology, Portland, Or. GPA:3.09
  Bachelor of Applied Science Degree,
  Electronics Engineering Technology
  - \* Experience with test equipment including oscilloscopes, Digital logic analyzers, and Spectrum Analyzers.
  - \* Software experience consisted of Altera, Intel 8085 assemblers, OrCad, Spice, Motorola H68HC11 assembler and interface programming language requirements with the IBM PC, and C Programming.
- 1987-1990 Mt. Hood Community. College, Gresham, Or. GPA:3.10 Associate of Applied Science Degree, Electronics Engineering Technology March 1990.

Certificate, Electronics Engineering Technology, June 10th 1988

Member of Phi Theta Kappa Fraternity 1987-1990

- \* Experience with test equipment including oscilloscopes, and Digital logic analyzers.
- \* Software experience consisted of Palasm, Abel, 8085 assembler, Basic Programming, C Programming, and WordPerfect.

References:

Given upon request

Copy of Letter # 2

State Representative Jim Dunn P.O. Box 40600 Olympia, Washington 98501

Dear Sir,

In regards to our previous letter, things have gone from bad to worse. To keep you aware of where we are coming from I am attaching everything that has to do with this situation. Our first letter is at the back and each step that has occurred is stacked up from that letter.

Our concern is, why is our son being treated the way he is. It feels more and more like a form of discrimination. Maybe someone in the various stages isn't seeing this in the same way, so if we make a list of points to consider there might be a different outcome.

 The President of the United States said that all federal agencies hire the handicapped. In the past it has been all veterans that would be considered first for a job and now it is suppose to be the handicapped.

Our son, has been working with Vocational Rehabilitation to get a job with Bonneville Power Administration in Vancouver for a long time. Vocational Rehabilitation is suppose to be able to get a person in for an interview when they have special needs.
 has worked very hard to have a job in the Flaction Local Control of the co

has worked very hard to have a job in the Electrical and Computer Engineering field. He has a Master's Degree in that field and has been taking classes to keep his knowledge up to date while he is searching for a job.

4. Sometime in November, Vocational Rehabilitation had contacted B. P. A. again and B. P. A. informed them that they couldn't consider him until after the first of the year. Vocab offered to have \_\_\_\_\_ work for free as an intern for up to one year because he was willing to prove that he could do the job regardless of the fact that he is in a wheelchair.

This winter term took another class at the local community college to further upgrade his education. Two weeks into the term there was notices put up all over the college that B. P. A. was having an open house because they are in the process of hiring. NOTE: They are advertising at a community college level school and has a Master's Degree.

6. Shortly after that asked his Job Councilor if he was going to the open house and have his resume submitted. If there were actually going to be jobs available then he should be considered for an actual **job**. Then

he received an E mail from his job councilor that she had contacted B. P. A. and that her contact at B. P. A. wasn't very interested and that it didn't look to promising for him. It was like a glass of ice water in his face. We need to know why he is getting this kind of responses.

7. We need to have some help to understand this situation. Should we take all these notes to the media? What are his rights to fight this situation and

who do we go to for some help to get fair treatment?

I have made a full set of these letters for the contact at B. P. A. and mailed it to her. I have a list of phone numbers of each person below. Maybe if they hear from your office that the handicapped are suppose to be at the top of the list, by order of the President of the United States, it would make them reconsider. has the education and he has work experience, so what is the problem? Please help our son become a productive citizen. He will be a useful person if he has a chance. At least, no one should be hired with less abilities than he has. is really motivated to work for B. P. A.

Denise Arvidson, Mat. CRC Vocational Consultant 503-292-2828 x 17 <a href="http://www.workforce-dynamics.com">http://www.workforce-dynamics.com</a>

Susan Custard, Bonneville Power Administration 503-230-3056 Spcustard@bpa.gov

Sincerely,

Copy of Letter #3

Bonneville Power Administration Human Resources 905 NE 11<sup>th</sup> Portland, Oregon 97232 Attention: Ms. Susan Custard

Dear Ms. Custard,

We are aware that Vocational Rehabilitation has contacted you several times about a job with B. P. A. in regards to He has wanted a job with B. P. A. for a long time. After being told that there were no jobs for a long time, he offered to do an internship for a year for free to prove his usefulness.

He is highly educated and very motivated to be a useful employee. When the President of the United States said that all Federal facilities would be hiring the handicapped in a more preferential way he had hopes that he would be considered for a job. He wouldn't have a Master's Degree in Electrical and Computer Engineering if he weren't trainable in any area that B. P. A. could need.

He feels that somehow he is slipping through the cracks of serious consideration because of the latest notices he has become aware of. We have contacted our area Representative, Mr. Jim Dunn, to explain our concerns in regards to our son. To be absolutely fair, we are sending you a copy of the latest paperwork we have sent Rep. Dunn.

needs to have one break to prove he is a capable citizen. He has stood up for himself in the past and demanded fair treatment but we hope that this time he doesn't have to push that hard this time. Once he has a chance in a work environment, those people that around him forget that he has a handicap. He would be a better employee than your most motivated employee that you currently have. Please consider his request very seriously.

Sincerely,



## Career Info Open House

Friday, February 8, 2002

8:00 am-11:30 am Session OR 12:00 pm-3:30 pm Session \*Must pre-register for either session

## Choose your future and explore your options at the Bonneville Power Administration

Career Explorations: Students may choose to tour with professionals in two of the categories listed below in the morning or afternoon session.

- Apprentice program (electrician, lineman, substation operator)
- <u>General Crafts</u> (such as: sheet metal mechanic, machinist, electrician, heavy equipment operator, heavy equipment mechanic, carpenter)
- Engineering (electrical, electronics, civil, structural)
- Schedulers (pre-schedulers and tour of trading floor)
- <u>Energy Efficiency</u> (includes careers in program and project management for energy efficiency utility customers; Communications and Information Specialists; and Mechanical, General, and Electrical Engineers who specialize in energy efficiency measures).
- Environment, Fish, & Wildlife
- Finance
- Information Technology
- Human Resources
- · Attorneys and paralegals

\*How to register: Contact Katherine Meleskie at (360) 992-2154 or come by the Employment Services Center in Gaiser Hall Room 204 (above the bookstore) to sign up.

Location: Portland, Oregon (Near the Lloyd Center Mall)

irry Dennis

From: Sent:

Denise [denise@workforce-dynamics.com]

To:

Wednesday, January 23, 2002 4:33 PM

Cc:

TAYLOR@dshs.wa.gov

Subject:

FW: BPA

----Original Message-----

From: Denise [mailto:denise@workforce-dynamics.com]

Sent: Wednesday, January 23, 2002 4:11 PM

To:

Cc: TAYLOR@dshs.wa.gov

Subject: BPA

Hello spoke with Susan Custard this morning. She said she has forwarded your resume again to management but has not received any response. She is scheduled to meet with them in another week and will bring the issue up again. However, said if there continues to be no interest there is nothing further she can do. I will recontact her in another week and see what's going on. If she says they are not interested, then I will try to see if I can contact a manager directly and schedule an informational interview for you. In the meantime I would suggest you consider attending the Open House. I am open to any other suggestions. regards, denise

Denise Arvidson, MAT, CRC Vocational Consultant (503) 292-2828 x 17

http://www.workforce-dynamics.com

## THE OF HE

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

JUN 1 3 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senate Washington, D.C. 20510

Dear Senator Cantwell:

Enclosed is a response that Bonneville Power Administration (BPA) sent to your constituent, regarding security at Grand Coulee Dam. As you will note from the letter, the Bureau of Reclamation operates Grand Coulee Dam and is responsible for security there. If I can answer any questions, please contact me or have your staff contact our BPA Security Manager, Mr. Bob Windus, at (503) 230-5148.

Sincerely,

Stephen I/Wright Administrator and

Chief Executive Officer

1 Enclosure: Letter to

## **Department of Energy**



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

JUN 1 3 2002

In reply refer to: KR-7C

### Dear }

Thank you for your interest in security at the Grand Coulee Dam. Senator Maria Cantwell forwarded your letter to me, and I welcome the opportunity to respond.

You may be interested to know that while Bonneville Power Administration (BPA) markets the hydroelectricity produced at the Grand Coulee Dam, the Bureau of Reclamation is actually responsible for the overall operations of the facility. I assure you that both BPA and the Bureau of Reclamation have undertaken a number of measures to improve security at all of the dams included in the Federal Columbia River Power System. Unfortunately, in the interest of safety, we are unable to publicly discuss our joint efforts in this critical area. For additional information, you may want to contact Mr. Mark Albl, Security, U.S. Bureau of Reclamation, 1150 North Curtis, Boise, ID 83706l.

Again, thank you for your attention to this important security matter.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

| Folder Profile   |                 |                     |                |  |  |  |  |
|--|-----------------|---------------------|----------------|--|--|--|--|
| Control # 2002-009600 Name Letter to Cl/Chumbris from Senator Maria Cantwell referring |                 |                     |                |  |  |  |  |
| Priority Important Critical  |                 | Folder Trigger      | Letter         |  |  |  |  |
| DOE Addressee  |                 | Source              | CR             |  |  |  |  |
| CI   | ·               | Date Received       | 5/13/02        |  |  |  |  |
| Subject Text expresses con   | cerns about the | Correspondence Date | 4/29/02        |  |  |  |  |
| security at Hoover Dam in the terrorism threats to America                             | e face of the   | RIDS Information    | Head of Agency |  |  |  |  |
| grano  | (Coule          | C Dam Sensitivity   | NA             |  |  |  |  |
| Action Office #  |                 | Classification      | None           |  |  |  |  |
| Signature/Approval   |                 | Point of Contact    | CUNNINGD       |  |  |  |  |
| BPA  |                 | Organization ID     | EXECCORR2      |  |  |  |  |
| Action Requested   |                 | Assigned To         |                |  |  |  |  |
| Prepare Response   |                 | BPA                 |                |  |  |  |  |
| Special Instructions   |                 | Date                | Due 5/25/02    |  |  |  |  |
|  |                 | Date Compl          | eted           |  |  |  |  |
| •  |                 | St                  | atus OPEN      |  |  |  |  |
|  |                 |                     |                |  |  |  |  |
|  |                 |                     |                |  |  |  |  |

| RECEIVED BY BPA ADMINISTRATOR'S OFG-LOG #: 02-0/68 |
|--|
| RECEIPT DATE:<br>5.24.02                           |
| 5.23.02  |

ASSIGN: KR-7C cc: FO3, KN/Wash, CT-1, PGF-6, PG-5, P-6

## MARIA CANTWELL WASHINGTON



## United States Senate

WASHINGTON, DC 20510-4705

2002-009600 <sup>April 29, 2002</sup> A 11:20

Mr. Nicholas Chumbris
Acting Assistant Secretary for Congressional and Intergovernmental Affairs
Department of Energy
1000 Independence Avenue Southwest, Room 7B138
Washington, D.C. 20585

RE:

Dear Mr. Chumbris:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following documents provide an explanation of my constituent's concern or request. I appreciate your prompt attention to this matter.

Please direct your response to and provide a copy for MacKenzie Smith in my Washington, DC office at 717 Hart Senate Office Building, Washington DC 20510. MacKenzie Smith can also be reached via phone: 202-224-3441 or fax: 202-228-0514.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

United States Senator

MC:ams

cc:

Enclosure

## # 25 View e:\emailobj\200202\227223459.txt

From:

Date:

2/27/02 10:15:15 PM

To:

webmail@cantwell-iq.senate.gov

Subject: www\_email

Over the weekend, I was shocked to hear TV news reports about the lack of security at Hoover Dam. In the face of the terrorism threats to America, I call on you to personally review the adequacy of security at Grand Coulee Dam.

The consequences of an serious attack on this vulnerable structure could be enormously devasting to tens of thousands of lives and our economy.

The coulees of Eastern Washington were carved out by the greatest floods in the history of the world. The destructive power of 300 foot high walls of water from Lake Missoula could be matched by a terrorist attack on Grand Coulee Dam.

Seven years ago, I was amazed to find there was absolutely no security in sight at Grand Coulee. We drove over the top of the Dam, parked in the middle, took the elevator to the bowels of the power plant, and returned --- without ever seeing a security guard! Only a cable on the surface of Lake Roosevelt appeared to prevent boats from getting close to the dam.

At the least, we need a military guard unit stationed permanently at Grand Coulee. As soon as possible, we need a comprehensive security plan and systems that will preclude any terrorist attack. Sincerely,

### ----- Original Formatted Message Starts Here

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<ISSUE>TERRORISM</ISSUE>

<MSG>Over the weekend, I was shocked to hear TV news reports about the lack of security at Hoover Dam. In the face of the terrorism threats to America, I call on you to personally review the adequacy of security at Grand Coulce Dam.

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The coulees of Eastern Washington were carved out by the greatest floods in the history of the

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

June 25, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senate Washington, D.C. 20510

Dear Senator Cantwell:

The Secretary of Energy has forwarded your letter to him of May 20, 2002, to the Bonneville Power Administration (Bonneville) for a reply. In the letter, you express concerns about McCook Metals' plans for the Longview Aluminum Plant.

Bonneville entered into the Curtailment Agreement with Longview Aluminum, LLC (Longview) in the spring of 2001. Bonneville was seeking to reduce its exposure to the wholesale power market at a time of record high power prices and severe Northwest drought. The agency paid Longview \$226 million to forego its Bonneville power supply through June 30, 2002.

Bonneville understands from the United Steelworkers of America (USWA) that Longview stopped paying "at least some" of its workers as of April 1, 2002. While we are not familiar with the rationale or circumstances surrounding Longview's decision to stop paying some of its employees, Bonneville is very concerned about reports that Longview may not be complying fully with its commitments. Section 9 of the Curtailment Agreement requires Longview to provide compensation and benefits through June 30, 2002, to employees who were laid off due to the curtailment. In addition, at the time the Curtailment Agreement was executed, Bonneville and USWA representatives jointly determined that the details of Longview's compensation obligations to its laid-off workers would be specified in agreements between Longview and the USWA. Bonneville is not a party to those agreements.

Your letter asks whether McCook (or Longview) "accurately represent[ed] its intentions to restart the plant" when negotiating its current power contract with Bonneville. As part of the negotiations leading to the Agreement, Longview did state its intention to restart the plant at the end of the curtailment. However, the Power Sales Agreement (which extends through September 30, 2006) does allow the facility to curtail production, as long as Bonneville is made whole for any power not used by Longview. Bonneville did not conduct an extensive financial review prior to execution of the Power Sales Agreement, primarily because Bonneville did not have a policy at that time limiting service to Direct Service Industrial customers based on

a financial review.

At the time the Curtailment and Power Sales Agreements were signed, Longview did indicate that it intended for some of the curtailment proceeds to be used to develop its own sources of generation to meet the smelter's power needs after 2006. Our contract with Longview lists spending on new generation as one of the allowed uses of the funds, but does not require any particular amount to be spent in that way. We are not aware of any such spending by Longview to date. Largely because of the expectation that Longview would become energy-independent, the Power Sales Agreement specifies very clearly that federal power service to the plant will not continue past September 2006.

Consistent with the Curtailment Agreement, Bonneville is in the process of reviewing Longview's use of the proceeds from the Agreement to ensure those proceeds were used for approved purposes. Longview has been very slow to respond to Bonneville's requests for information. We will do everything possible to make the findings public.

Bonneville has tried, with the curtailment agreements, to help preserve the long-term operation of the Northwest's aluminum plants. A key part of this strategy was to retain a skilled workforce and to help make plant operations more efficient. Unfortunately, with current power prices and low aluminum prices, the future of the Longview plant remains unclear.

I trust this is responsive to your concerns. If I can answer other questions, please contact me or have your staff contact Mark Miller, Longview Account Executive, at 503-230-4003.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

cc:

The Honorable Patty Murray United States Senate Washington, DC 20510

The Honorable Brian Baird
United States Hose of Representatives
Washington, DC 20515

## THE OF TH

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

July 1, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senate Jackson Federal Building 915 2<sup>nd</sup> Avenue, Suite 3206 Seattle, WA 98174

Dear Senator Cantwell:

This is in response to your letter of May 15, 2002, concerning the request from your constituent, is an employee of Longview Aluminum LLC who has been laid off and is asking for your help in securing severance benefits.

I am enclosing a copy of my June 25, 2002, letter to you on the same subject. I believe it adequately addresses the issue with Longview Aluminum and its performance under the curtailment agreement with Bonneville Power Administration (BPA.) As I say in this letter, BPA is concerned about reports from the United Steelworkers of America (USWA) that Longview may not be complying fully with its commitment in this Agreement, or with its obligations under agreements reached between the USWA and Longview or its affiliates.

We will continue to work with Longview to ensure that proceeds from the Agreement are used toward approved purposes.

Thank you for your concern. Please contact me if I can answer other questions or have your staff contact Mark Miller, Longview Account Executive, at (503) 230-4003.

Sincerely,

Stephen J. Wright

Administrator and

Chief Executive Officer

1 Enclosure

COMMITTEES: **ENERGY AND NATURAL** RESOURCES JUDICIARY

SMALL BUSINESS

United States Senate RECEIVED BY BPA

**WASHINGTON, DC 20510-4705** 

May 15, 2002

ADMINISTRATOR

OFC-LOG #: ( RECEIPT DATE:

Mr. Steve Wright Administrator Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

RE:

ASSIGN: KR-7C

cc: FO3, KN/Wash, P-6, PT-5, TM/Ditt2, Mark Miller-PT-5, Al Paschke-TM/Ditt2

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell United States Senator

MC:jp Enclosure

PLEASE REPLY TO:

U.S. FEDERAL COURTHOUSE WEST 920 RIVERSIDE, SUITE 697 SPOKANE, WA 99201 (509) 353-2507 FAX: (509) 353-2547

JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 Fax: (206) 220-6404

☐ 1313 OFFICERS' ROW FIRST FLOOR VANCOUVER, WA 98661 (360) 696-7838 Fax: (360) 696-7844

717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510-4705 (202) 224-3441 FAX: (202) 228-0514

## View e:\emailobj\200204\413161350.txt

From:

Date:

4/13/2002 4:12:01 PM

To:

webmail@cantwell-iq.senate.gov

Subject:

www\_email

Patty Murray U. S. Senate Washington, DC

Dear Senator Murray; April 14, 2002

I am an unemployed salaried employee of Longview Aluminum L.L.C. I would like to request your help and support in dealing with the unjust treatment (lack of a severance package) that I have received from the present and past plant owners, Michigan Avenue Partners (MAP) and ALCOA.

Labor has supported your candidacy and programs through our votes. I would like to remind you that I am also part of that support and, as such, would like to know that I can count on having you in my corner.

The merger agreement between Reynolds Metals Company and ALCOA guaranteed the salaried employees a severance package that would be in effect for three years from the date of the merger. Michigan Avenue Partners (MAP) purchased the Longview plant from ALCOA, which included the asset agreement between Reynolds Metals & ALCOA. Therefore I feel that I am entitled to these benefits since I was terminated not for cause. In March of 2001, forty-one (41) salaried employees were terminated not for cause. They received severance benefits that included salary, two years of health insurance, as well as, life insurance and accidental death and dismemberment insurance. In March 2002, nineteen (19) additional salaried employees were terminated not for cause. Then again in April another forty (40) were terminated not for cause. All of us were not given a severance package. Also, I was told that if I did not sign the Longview Aluminum's Waiver and Release Agreement, given to me when I was terminated, I would not receive m

Michigan Avenue Partners re-sold electric power to B.P.A. when the plant was shutdown in February 2001. The contract with B.P.A stipulated that these monies be used to build a power plant, pay employee wages and benefits until the end of June 2002, and pay the start-up costs. The plant was supposed to re-start April 1, 2002. The monies were to be placed in separate accounts that would be monitored by both the Union and the Company. To date, M.A.P. has yet to give an accounting for these funds. The start-up has not taken place, the Employment Security Department paid part of the unemployment benefits, and no power plant has been started. M.A.P. has broken many agreements and promises with the plant workforce and, it would seem also with B.P.A.

M.A.P. has filed for bankruptcy protection at some of its other facilities and it would seem that the intent is the same for the Longview reduction plant. This plant has been a very viable facility with a highly skilled and experienced workforce who would like to maintain their jobs, which support their families and the economy of this part of the State of Washington to the tune of roughly \$31 million annual wages. As you well know, Cowlitz County has one of the highest unemployment rates in Washington State. The present shutdown of this plant only aggravates an already desperate situation. "This amounts to a mini Enron situation."

In closing, I am appealing for your help in securing all of my severance benefits for which I feel I am entitled and protecting the rights of all salaried employees. In addition, please use your esteemed influence and weight of your office to investigate the intent of M.A.P. in the operation of this plant.

Sincerely,

==== Original Formatted Message Starts Here ====

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

June 25, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senate Washington, D.C. 20510

### Dear Senator Cantwell:

The Secretary of Energy has forwarded your letter to him of May 20, 2002, to the Bonneville Power Administration (Bonneville) for a reply. In the letter, you express concerns about McCook Metals' plans for the Longview Aluminum Plant.

Bonneville entered into the Curtailment Agreement with Longview Aluminum, LLC (Longview) in the spring of 2001. Bonneville was seeking to reduce its exposure to the wholesale power market at a time of record high power prices and severe Northwest drought. The agency paid Longview \$226 million to forego its Bonneville power supply through June 30, 2002.

Bonneville understands from the United Steelworkers of America (USWA) that Longview stopped paying "at least some" of its workers as of April 1, 2002. While we are not familiar with the rationale or circumstances surrounding Longview's decision to stop paying some of its employees, Bonneville is very concerned about reports that Longview may not be complying fully with its commitments. Section 9 of the Curtailment Agreement requires Longview to provide compensation and benefits through June 30, 2002, to employees who were laid off due to the curtailment. In addition, at the time the Curtailment Agreement was executed, Bonneville and USWA representatives jointly determined that the details of Longview's compensation obligations to its laid-off workers would be specified in agreements between Longview and the USWA. Bonneville is not a party to those agreements.

Your letter asks whether McCook (or Longview) "accurately represent[ed] its intentions to restart the plant" when negotiating its current power contract with Bonneville. As part of the negotiations leading to the Agreement, Longview did state its intention to restart the plant at the end of the curtailment. However, the Power Sales Agreement (which extends through September 30, 2006) does allow the facility to curtail production, as long as Bonneville is made whole for any power not used by Longview. Bonneville did not conduct an extensive financial review prior to execution of the Power Sales Agreement, primarily because Bonneville did not have a policy at that time limiting service to Direct Service Industrial customers based on a financial review.

At the time the Curtailment and Power Sales Agreements were signed, Longview did indicate that it intended for some of the curtailment proceeds to be used to develop its own sources of generation to meet the smelter's power needs after 2006. Our contract with Longview lists spending on new generation as one of the allowed uses of the funds, but does not require any particular amount to be spent in that way. We are not aware of any such spending by Longview to date. Largely because of the expectation that Longview would become energy-independent, the Power Sales Agreement specifies very clearly that federal power service to the plant will not continue past September 2006.

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Bonneville has tried, with the curtailment agreements, to help preserve the long-term operation of the Northwest's aluminum plants. A key part of this strategy was to retain a skilled workforce and to help make plant operations more efficient. Unfortunately, with current power prices and low aluminum prices, the future of the Longview plant remains unclear.

I trust this is responsive to your concerns. If I can answer other questions, please contact me or have your staff contact Mark Miller, Longview Account Executive, at 503-230-4003.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

cc:

The Honorable Patty Murray
United States Senate
Washington, DC 20510

The Honorable Brian Baird
United States Hose of Representatives
Washington, DC 20515

## MAZIA CANTWELL WASHINGTON



## United States Senate

WASHINGTON, DC 20510-4705

June 27, 2002

Mr. Steve Wright Administrator Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

| RECEIVED BY BPA<br>ADMINISTRATOR'S |
|------------------------------------|
| OFC-LOG#: 02-0196                  |
| RECEIPT DATE:                      |
| 7-1-02                             |
| DUE DATE:                          |
| 7-15-02                            |

RE:

ASSIGN: KR-7C cc: FO3, L. Bodi – A/Seattle, KN/Wash, C. Custer – KR/WSGL, J. Taves – KR-7C, L-7, L. Driessen – TNP-TPP3, V. VanZandt – TO/DITT2

Dear Mr. Wright:

My constituent, , has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Marsha Cooper in my Spokane District Office at Foley Federal Courthouse, West 920 Riverside, Suite 697 Spokane, Washington, 99201. Marsha Cooper can be reached via: phone: 509-353-2507, fax: 509-353-2547, or email: marsha\_cooper@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

United States Senator

MC:mc Enclosure

### #4 7121093 -

## e:\emailobj\200206\61922957.txt

From:

Date:

6/19/2002 2:29:49 AM

Subject: www\_email

I am a resident in Maple Wood Estates and my neighborhood will be egregiously impacted by Alternative "C". In fact theproposed route will pass right over our house!!!! WE ARE AGAINST ALTERNATIVE "C"!!!!

I have received much information from e-mails, meetings, radio broadcasts, and published documents including newspaperarticles. It is very clear to me that BPA has as its mandate to provide communities the best service with least cost and impact. And, it is the City of Seattle that is using the rural neighborhoods as pawns in their capricious political strategy. The largerpopulation of Seattle is dependent on the media for information and I have observed that the media has aligned itself with the Seattle political machine to provide gross amounts of misinformation to the public. For instance, the Seattle Times and PostIntelligencer WILL NOT publish contrary opinions. In the 19th century this phenomena was labeled as "yellow journalism". The concerns published in the papers and aired on the radio appear as emotional venting and are factually unfounded. Theemerging theme is "environmental diversity". In this particular episode, overcoming ignorance is the challenge. The CRW doesn't provide "environmental diversity" to the extent that the bordering Green River Watershed supports withlogging, roads, rail, power, and public hunting access; and with no degradation to the water supply for Tacoma. The GreenRiver Watershed is a precedence for diversity but the Seattle opposition has not mentioned this. Also, the WashingtonDepartment of Fish and Wildlife, responsible for wildlife management, has been purposefully excluded from the CRW, unlikethe Green River Watershed.

Both watersheds and surrounding environs share the same ecosystem. Creatures know no property boundaries and share ourland as with the watersheds. The easement necessary for the corridor of Alternative "C" would create a swath of environmentaland economic devastation magnitudes greater than adding to the existing easement in the CRW. The path of alternative "C" covers wetlands and several salmon breading streams. The aesthetics of our neighborhood includeold growth forests that private land owners have preserved. King County administrators have been careful to preserve ourpristine environment with land management programs. The logistics necessary to support Alternative "C" are in conflict withthese land management programs and would wipe out a heritage we are trying to maintain. It just doesn't make sense to bulldoze a new route when other routes are available.

WE ARE AGAINST ALTERNATIVE "C"!!!!

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WE ARE AGAINST ALTERNATIVE "C"!!!!

## THE OF BUILDING

## Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

July 2, 2002

In reply refer to: KR-7C

The Honorable Senator Gordon H. Smith One World Trade Center 121 S.W. Salmon Street, Suite 1250 Portland, OR 97204

Dear Senator Smith:

This is in response to your letter of June 12, 2002, relaying the concerns of your constituent, asks that Bonneville Power Administration (BPA) work with Northwest Natural Gas to site the Mist Pipeline Extension along an existing BPA transmission right-of-way, rather than near her Sherwood neighborhood.

BPA wants to make the best use of our valuable right-of-ways for the public good. However, we must also balance this with our fundamental mission to maintain a reliable bulk power system. The Northwest has already experienced several catastrophic gas pipeline explosions. The potential for such an explosion occurring under our transmission lines poses a considerable risk to the reliability of the Northwest power system.

The BPA right-of-way a references is part of a transmission corridor that runs under BPA's 500 kilovolt Pearl-Keeler No. 1 transmission line. BPA's 500 kV lines are the largest in our system. They are the backbone of the region's power system, carrying thousands of megawatts of power over long distances. The steel lattice towers they are strung on are not easy or quick to replace. Should this 500-kV line be severely damaged by a catastrophic pipeline explosion, we are very concerned with the possible devastating impacts such an event could create to the region in terms of extended electrical service disruption.

In the case of the Mist Pipeline Extension, we have tried to help Northwest Natural Gas where we can, and we have approved at least one limited crossing of our right-of-way. We cannot, however, approve extended parallel occupancy because of the concerns I have described.

We regret that this does not solve 3 problem. However, it is our judgment that the potential of a massive power outage and the harm it could cause to the Northwest outweighs the public benefits of common right of way usage.

If we can answer any other questions, please contact me or have your staff contact Rick Stearns of my staff, at (360) 619-6334.

Sincerely,

Stephen J. Wright Administrator and

**Chief Executive Officer** 

Styck fwyst

United States Senate

WASHINGTON, DC 20510-3704

June 12, 2002

Mr. Steve Wright
Acting Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208

RECEIVED BY BPA
ADMINISTRATOR'S
OFG-LOG #: 02.0/83
RECEIPT DATE:
6.13.02

DUE DATE:
6.27.02

COMMITTEES

FOREIGN RELATIONS

**ENERGY AND NATURAL RESOURCES** 

BUDGET COMMERCE

ASSIGN: KR-7C /

cc: FO3, KN/Wash, AMorrow-KR-7C

Dear Mr. Wright:

Please find enclosed a copy of a letter I recently received from regarding her concerns about a proposed natural gas pipeline and her suggestion that Northwest Natural work with Bonneville Power to utilize existing power corridors. In an effort to provide my constituent with the information requested, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 S.W. Salmon Street, Suite 1250, Portland, Oregon 97204.

Thank you in advance for your prompt attention to this matter.

Sincerely,

Gordon H. Smith United States Senator

GHS:mh
Enclosure

### Sen.-Gordon Smith

From:

nobody@w1.senate.gov

Sen. Gordon Smith

Sent:

Thursday, May 16, 2002 10:44 AM

To: Subject:

www\_email

Mr. Smith,

I am writing to you regarding a matter that has me and my family concerned. It is the Northwest Natural Mist Pipeline Extension, presently planned by NW Natural to run only about a half--mile or so behind our backyard.

As you may know, the Sherwood area is among the fastest growing cities in Oregon, with the largest under-18 population in the state. Our children play, ride bikes and enjoy the community we live in. However, this pipeline is making some of us wonder whether we want to continue to live here, or whether our property value will plummet. This 24-inch pipeline is currently planned to run through an area targeted for expansion and growth and will probably be home to another one of the many new neighborhoods cropping up around us. Our concern is that the greatest risk to pipelines of this nature happen to be from damage by backhoes and other construction equipment, as may have been the case in the incident of the pipeline that exploded and killed two boys in Bellingham, WA several years ago. By routing the pipeline as planned it will be exposed to significant exposure due to the continued growth of Sherwood and the expanding Urban Growth Boundary.

It is not that Sherwood refuses to accept the pipeline. We simply want it moved. There are existing power utility corridors running through Sherwood that could be shared by NWN which would place the pipeline out of the construction growth areas due to their nature (construction is prohibited underneath them). I am writing to ask you to persuade BPA and NWN (and possibly PGE) to work together to share the existing power corridors. Given BPA is a federal entity I am asking for your special effort to influence them to work with Northwest Natural.

Please take this matter into serious consideration and let the citizens of Sherwood know how you plan to proceed.

Sincerely,

•

# THE OF ME

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

July 17, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senate Seattle District Office Jackson Federal Building 915 2<sup>nd</sup> Avenue, Suite 3206 Seattle, WA 98174

Dear Senator Cantwell:

Thank you for forwarding letters from and concerning Bonneville Power Administration's (BPA) Kangley/Echo Lake Project.

We have also received the comments from these individuals and want to assure you that their comments are being considered and will be included in the record for the Supplemental Draft Environmental Impact Statement (DEIS). The DEIS analyzes potential impacts of the alternatives considered and, when appropriate, identifies mitigation measures.

BPA plans to issue the supplemental DEIS for public review and comment this winter with a final EIS in the spring. BPA proposes to make a decision on the project following the completion of its environmental review. In the interim, we will keep your office advised of project milestones as they occur.

Again, thank you for forwarding your constituents' concerns. We appreciate your continued interest in BPA.

Sincerely,

Stephen J. Wright

Administrator and

Chief Executive Officer

Tyle / West

COMMITTEES: **ENERGY AND NATURAL** RESOURCES **JUDICIARY** SMALL BUSINESS

## United States Senate

WASHINGTON, DC 20510-4705

June 24, 2002

Mr. Steve Wright, Administrator Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

RE:

| RECEIVED BY BPA<br>ADMINISTRATOR'S<br>OFC-LOG #:03_0197 |
|---|
| RECEIPT DATE: 7-1-02                                    |
| DUE DATE:<br>7-15 ーのユ                                   |

ASSIGN: KR-7C

cc: FO3, L. Bodi - A/Seattle, KN/Wash, C. Custer - KR/WSGL, J. Taves - KR-7C, L-7, L. Driessen - TNP-TPP3,

V. VanZandt - TO/DITT2

Dear Mr. Wright:

My constituents, , have contacted my office for assistance with an issue within your jurisdiction. The following letters provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

United States Senator

MC: ip Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE WEST 920 RIVERSIDE, SUITE 697 SPOKANE, WA 99201 (509) 353-2507 Fax: (509) 353-2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404

☐ 717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510-4705 (202) 224-3441 FAX: (202) 228-0514

Internet: maria@cantwell.senate.gov Web: http://cantwell.senate.gov PRINTED ON RECYCLED PAPER

June 17, 2002

RECEIVED
JUN 2 1 2002

Bonneville Power Administration Public Affairs Office-KC P.O. Box 12999 Portland, Oregon 97212

Subject: Kangley/Echo Lake Transmission Line Project

Dear BPA Official:

This letter is to let the BPA know how we, property owners who will be affected by the Kangley/Echo Lake Project, feel about BPA's proposals concerning our neighborhood. We do not want more power lines run through our neighborhood. We chose our home because of the unique atmosphere and quality of life living here offers. We are concerned about our property values and our health and safety if additional lines are run through our neighborhoods, businesses and city properties. From our understanding BPA will have to lay down many times the amount of hardware than would be needed if BPA chose to use Preferred Alternative #1 as shown on BPA's proposal maps. Alternatives A, and C will significantly impact Maple Valley's environment and future. These alternatives are not welcome here at all. Please reconsider using Preferred Alternative #1 and use as many environmentally conscious methods of installing the hardware as are practical, rather than running hardware through the most highly developed parts of our city.

We treasure our homes and our unique town and do not want BPA's transmission lines to alter our property values or the plans local government has made for our city's future.

Sincerely,

| Signature    |                 |   | :       |      |  |  |
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| Address      |                 |   |         |      |  |  |
|              |                 |   |         |      |  |  |

# JUN 17 2002

This letter is in regard to the BPAs Transmission line project. In respect of the growing community I can understand the growing need for electrical power. What I do not understand is the fact that all of this has to come down on our heads out here in the more rural suburb. As it is now we seem to bare the brunt of Seattle and king counties wrath with little concern for us out here. I feel that there just is not enough of use out here to fight a fare fight with the cities million people and all the bureaucrats.

Since I've lived in this area we've been boxed in by development without adequate road expansion and I know that builders have to pay for road expansion when development occurs but the roads do not get upgraded. So where is all this money going? To Seattle to pay for there problems due to lack of proper planning? I don't know I certainly know it's not out here on our roads.

I am forced to follow and CTI dump trucks from my driveway all the way to Renton for some project going on in the city not to mention my children having to wait for the bus on the side of the road when these trains of two trailered trucks blow past them at speeds above the speed limit blowing debris and rain water all over the place and I'm not talking about one or two trucks I'm talking about groups of up to twelve trucks in the morning. In addition I might as well mention the cracked windshields, which I'll tell you occurs more frequently then you might know. None of the trucks cover their load they throw dirt all over our roads and the only thing that comes close to cleaning the roads is the rain. Now don't get me wrong I realize that trucks frequent our area but it is crazy to think we should accept trains of dump trucks like we've been doing for three years now. And as a final kick in the teeth our roads are becoming all tore up and who ends up paying for these repairs in our area not the companies making all the money, merlino or cti but us, the residents suffer.

In addition to these complaints we've also just recently had the police playground thrown in our backyard. Let me tell you I just love hearing semi automatic weapons and concussion grenades blowing of in the distance. You know that's the reason I moved out of Seattle to get away from that stuff and personally I believe this range should have been put in the city because that's were all the problems are. I mean let's be serious when was the last time the swat team was brought in to bust a gang out here in the woods. I'm mean don't you think it should be in the city where the range could be easily and cheaply accessed by the hundreds of police officers stationed in the city instead of paying for them to drive all the way out here. I mean all that gas money wasted could be spent on fixing the roads.

Now what's next Power line towers in our backyards? We already have some here close by but I didn't move here to have a whole forest of the giants all around me, that's just great you know its just another stick in the eye for the poor people who try to put a little distance between themselves and the city. I'll tell you it's getting to the point were I can't stand to live here anymore and my neighbors feel the same way. Lets be realistic these lines are not going to be a problem for the watershed water supply. If there is a problem for the watershed with power lines than there is a problem here for me Joe public due to the lines near me already and this should be addressed before any new lines are installed.

Put yourself in our position. Through no fault of our own and at no possible defense my day goes like this. My family gets up to the roar of gunfire, which goes on all day, at times even at the picnic table for an early dinner. I drop my children of at the designated bus stop with the fear of my children being hit by a dump truck or the debris it throws up. I have to jump out in between these trucks at risk of life and limb because of their speed. I try to back away from these trucks so as I don't loose a windshield and then I'm tailgated and this goes on all the way to Renton. on roads that are torn up and with no way to pass or to let the tailgating trucks pass me because road money ends up where? Ok at work it's the usual day, people pissed of from their commute so at work I don't get away from

it either. Now we could have the power lines in our backyard with the tractors brush clearing, the non stop humming and the view of 175 ft. tall towers instead of the trees that should be here. Oh did I forget the freight trains that run all night on the newly reopened tracks out here. Where do you live? would you stand for this in your backyard and neighborhood I am not in a position to defend myself in the forums, courts, or mediation hearings. I'm the guy that pays your salary with my tax dollars and votes you into office with the expectation that for my votes and moneys you will protect me and my family's interests to your full ability. It's your job to protect the majority of the people and not the lobbyist who get paid to harass you. Please put yourself in my shoes if only for a minute

We all know there are power lines in the watershed already and as far as I know the only problem with the water in Seattle is the bad taste. Lets do the only sensible thing and if it's really necessary to add new lines and not just a profit deal put the lines in the watershed, give Seattle a pacifier with a water filtration plant which I'm sure will come out of my pocket in the form of increased rates and let the stepped on people here in Ravensdale, Hobart Maple Valley and the surrounding areas live without a detrimental change at least for the time being. As you've read it really is bad enough out here already

Thank You.

IUN 1 7 2002

June 11,2002 To whom it may concern

Van westing this tetter to the BPA and others who are involved in the descision of where to place the 500 kilovolt power line. I want to make you aware of how the descision would affect just (1) family out that is merie . B. R. write this tetter I son setting next to my laughten who is lying in a ked at childrens hospital fighting for her life in intensine care- Four years ago she was diagnosed with acute-hymphoestic luckenies. Since her we (my wife and I) have spent ming months in the hospital with this has created a great deal of stress not only to only to only to besters; and pesters; and fretornal town sister . When we outsilly heard of to power line that was going to be built through our 10 acre wildlife refuge our hearts were

broken again. Certainly not to the extent

challenge, but it definitely added a just deal of etness at to our uniomprehensible lives. Not only are we in a fight to save my daughters lefe but now somebody who has never met me or my family is trying to win my home and my property. On top of that if they are excessful it will take my returnent money from me and my children's inheritance from them. Saveial shouths eyo we referenced our home: It appeared for 1,000,000: Since then we have added a ruinming pool in dedication to everyful bone marrow trasplant last august. Confortwately she relapsed 3 months ago and my wife has been living in the hospital most of that time been fine I have sold a home I have sold if for 60% kegher than the appeared, volue. Et least 60% higher. Once the kids got through. College our plans were to sell our home and use the profit for our retriement. D situations just as second Please don't ruin lines though our property. skine oull,

June 17, 2002

Bonneville Power Administration Public Affairs Office-KC P.O. Box 12999 Portland, Oregon 97212 RECEIVED JUN 2 1 2002

Subject: Kangley/Echo Lake Transmission Line Project

Dear BPA Official:

This letter is to let the BPA know how we, property owners who will be affected by the Kangley/Echo Lake Project, feel about BPA's proposals concerning our neighborhood. We do not want more power lines run through our neighborhood. We chose our home because of the unique atmosphere and quality of life living here offers. We are concerned about our property values and our health and safety if additional lines are run through our neighborhoods, businesses and city properties. From our understanding BPA will have to lay down many times the amount of hardware than would be needed if BPA chose to use Preferred Alternative #1 as shown on BPA's proposal maps. Alternatives A, and C will significantly impact Maple Valley's environment and future. These alternatives are not welcome here at all. Please reconsider using Preferred Alternative #1 and use as many environmentally conscious methods of installing the hardware as are practical, rather than running hardware through the most highly developed parts of our city.

We treasure our homes and our unique town and do not want BPA's transmission lines to alter our property values or the plans local government has made for our city's future.

Sincerely,

|              | _ |   |      |
|--------------|---|---|------|
| Signature    |   |   |      |
| Printed Name |   | • |      |
|              | ( |   |      |
| Address      |   |   | <br> |

## TATES OF AND STATES OF AND STA

## Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

August 29, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell United States Senator Jackson Federal Building 915 2<sup>nd</sup> Avenue, Suite 3206 Seattle, WA 98174

Dear Senator Cantwell:

This is in response to your letter of July 22, 2002 regarding Bonneville Power Administration (BPA) employee

I am sorry that we cannot provide more information about this situation at this time. Without the prior written consent of BPA is prohibited under the Privacy Act (5 U.S.C. § 552a) from disclosing the type of information that would be responsive to your inquiry. Upon receipt of a request for information regarding this issue, accompanied by

written consent for disclosure of the requested information, the Agency will be happy to comply.

Until then, let me assure you that BPA is aware of its responsibilities to its employees as established by federal statute and regulation and will comply with them in this and every case.

Thank you for your letter.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

Tyla / West

United States Senate

WASHINGTON, DC 20510-4705

July 22, 2002

RECEIPT DATE:

7.26.02

COMMITTEES:

ENERGY AND NATURAL RESOURCES JUDICIARY MALL BUSINESS

DUE DATE

8.9.02

Mr. Steve Wright
Administrator
Department of Energy
Bonneville Power Administration
PO Box 3621
Portland, Oregon 97208

ASSIGN: KR-7C

cc: FO3, KN/Wash, RRidenhour-T/DOB1,

MCaldwell-DFRD-2

RE:

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

**United States Senator** 

MC:jp Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353–2507
FAX: (509) 353–2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404

☐ 717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510–4705 (202) 224–3441 FAX: (202) 228–0514

#### #2 7126840 -

### e:\emailobj\200207\720125224.txt

From:

Date:

7/20/2002 12:51:02 AM

Subject:

www email

#### Dear Senator Cantwell,

I am writing this letter to plea for your help in a situation that I am facing with my employer, the Bonneville Power Administration (BPA), a federal agency under the Department of Energy.

I am employed as a Contract Specialist/Commodity Manager, GS-12, in BPA's Logistics Services. I have been working in this capacity since May 1995. I have been very successful in my career and have risen from a GS-5 to a GS-12 in a period of seven years. I have received numerous awards for my accomplishments, and I am well respected both by my co-workers and vendors. BPA has invested considerable time and money in my education. I have taken over 680 hours of course work related to procurement and contracting. In May 2002, I was one of two Contract Specialists to be selected as a Team Lead for my work group (TLF/MODW). I also hold a contracting warrant for commercial and non-commercial supplies and services. I have no prior disciplinary history. I am a dedicated, hard working, and honest woman who performs her responsibilities and duties as a contracting officer with integrity and in accordance with BPA's Bonneville Purchasing Instructions and federal law.

Currently my management is proposing to suspend me without pay for five days, rescind my contracting warrant and reassign me out of my purchasing career that I have worked so hard at for the past seven years. The reason for these disciplinary actions against me is for the misuse of a government travel card (GTC). My management has attacked my character, claiming that there is no hope of rehabilitation for me and that I lack honesty and integrity. When I learned that my manager was planning disciplinary actions against me, I contacted him in tears and asked what I could do to restore his confidence in me, but to no avail. This individual has been my assigned performance manager for less than two months.

Senator Cantwell - the punishment does not fit the crime, and I believe that Logistics Services Management is retaliating me against as a whistleblower. The offense is minor. I notified and admitted to my management what happened. I paid the credit card bill. I did not seek reimbursement for the personal expenses from the Agency. When I learned that the use of my GTC for personal expenses cost the state of California approximately \$80 in lost sales taxes, I promptly reimbursed the state of California \$85 to cover the sales tax lost. This was a violation of a minor Agency rule with mitigating circumstances. There was no deceit or personal gain. The conduct has no relationship to my day-to-day responsibilities and duties as a contracting officer. My honesty and integrity in the performance of my duties as a contracting officer has never been called into question before this incident.

On June 13, 2002, I notified my new manager that I charged some personal items on my GTC, but there were extenuating circumstances. I attended a two-day seminar on May 2 and 3, 2002, in San Francisco offered by the Institute of Supply Management (ISM). While taking the class, I learned that there was an ISM Conference beginning May 4 and running through May 8, 2002. I telephoned my manager from San Francisco and received approval to attend the conference. I was told to use my GTC to pay the late registration fee.

I had gone to San Francisco on May 1, 2002, expecting to attend a two-day seminar and return home. I did not bring any personal credit cards, other than my GTC, nor did I bring my checkbook. I did not have the appropriate clothing for the ISM conference. I used my GTC for food and lodging, as well as for purchasing suitable clothing and accessories for the conference. I used the GTC to purchase toiletries and other items that I needed for the extended stay. I also used the GTC to buy some personal items due to the fact that I did not have any other credit cards with me. I purchased books that were recommended in the seminar, some books on team management since I was just selected as a team lead, office supplies/paper, gifts for co-workers and my manager, and two pieces of jewelry.

I used my GTC for personal expenses in March 2002 when I traveled to Mexico to visit a steel manufacturer (ABB) that BPA has a contract with. I was unaware at the time that there were restrictions on the use of the card for personal items. When I returned from this business trip, I discussed my purchases with my manager (not the new one) who informally advised me that the card was not to be used for personal items. My manager's response to the incident underscores the fact that this conduct is not regarded as a serious offense. Furthermore, BPA's Corrective Action Guide does not list charging personal items on a government travel card as grounds for disciplinary action.

Furthermore, I am not aware of any disciplinary action brought against any BPA employee for simply charging personal expenses on the GTC while traveling. This is especially true where the employee did not seek reimbursement from the Agency for the personal expenses. I recently spoke with a co-worker in Logistics Services, , and he informed me that in 1997 he used his government travel card for gambling purposes and incurred some \$8,000 in debt. He did not pay for his incurred personal expenses upon receipt of his card statement as I did, and he had to set up a

repayment schedule with the credit card company. BPA's disciplinary action toward r was to cancel his card privilege and to give him a letter of admonishment that was not even placed in his official personnel file. I conduct was far more egregious than my conduct.

The proposed five day suspension without pay, the revocation of my contracting warrant and the involuntary reassignment out of my purchasing career and at a possible lower grade is so extreme and so excessive that it can only be viewed as a reaction to my strict adherence and enforcement of the Agency's contracting rules and as retaliation for my recent reports to supervisors about contract mismanagement, abuse of authority and unauthorized commitment of government funds by Contracting Officer's Technical Representatives (COTR's). Thus, I'm being retaliated against for performing my duties and responsibilities as a contracting officer for the federal government. I have reported to management on numerous occasions that there are COTR's who are misusing their authority and modifying contract provisions without authority.

For example, on November 27, 2001, I reported to management that a supplier, ABB, breached their contract with BPA (valued at 85 million dollars) because they subcontracted out some design work to an unknown Turkish company without the required approval of the contracting officer (me). Moreover, the COTR had approved of the Turkish company without the required concurrence of the contracting officer, and thus, modified the contract without appropriate authority. This COTR also traveled on government business to Turkey to visit this subcontractor. My action to this situation underscores my honesty and integrity as a contracting officer. However, my management reprimanded me for my actions even after BPA's Office of General Counsel agreed with me that a breach of contract had occurred. The contract is a firm fixed price contract for the design of a new steel transmission tower series. ABB was the highest bidder among three, but BPA awarded ABB the contract because they promised to d o all the design work

My husband (who also works in BPA's Logistics Services) and I would really appreciate your help in this matter, as I have to rely to these proposed disciplinary actions by July 25, 2002. Thank you very much for your consider. Respectfully submitted,

July 19, 2002

==== Original Formatted Message Starts Here ====

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

AUG 2 9 2002

In reply refer to: KR-7C

The Honorable Patty Murray United States Senator 140 Federal Building 500 W. 12<sup>th</sup> Street Vancouver, WA 98660

Dear Senator Murray:

This is in response to your letter of August 27, 2002 regarding Bonneville Power Administration (BPA) employee

I am sorry that we cannot provide more information about this situation at this time. Without the prior written consent of , BPA is prohibited under the Privacy Act (5 U.S.C. § 552a) from disclosing the type of information that would be responsive to your inquiry. Upon receipt of a request for information regarding this issue, accompanied by written consent for disclosure of the requested information, the Agency will be happy to comply.

Until then, let me assure you that BPA is aware of its responsibilities to its employees as established by federal statute and regulation and will comply with them in this and every case.

Thank you for your letter.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

United States Senate

APPROPRIATIONS
BUDGET
LABOR AND HUMAN RESOURCES

COMMITTEES:

SELECT COMMITTEE ON ETHICS
VETERANS' AFFAIRS

WASHINGTON, DC 20510-4704

August 27, 2002

Steven J. Wright
Administrator
Bonneville Power Administration
905 NE 11th Ave.
PO Box 3621
Portland, Oregon 97208-3621

similar to #2002-0216 ASSIGN: KR-7C |

cc: FO3, KN/Wash, RRidenhour-T/DOB1, MCaldwell-DFRD-2

Dear Mr. Wright:

Please find enclosed a copy of correspondence sent to my Vancouver District office by is concerned because of difficulties she has had with the Bonneville Power Administration regarding employment issues.

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Colleen Catching in my Vancouver District office at (360) 696-7797.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\csc

#### Dear Senator Murray,

I am writing this letter to plea for your help in a situation that I am facing with my employer, the Bonneville Power Administration (BPA), a federal agency under the Department of Energy.

I am employed as a Contract Specialist/Commodity Manager, GS-12, in BPA's Logistics Services. I have been working in this capacity since May 1995. I have been very successful in my career and have risen from a GS-5 to a GS-12 in a period of seven years. I have received numerous awards for my accomplishments, and I am well respected both by my co-workers and vendors. BPA has invested considerable time and money in my education. I have taken over 680 hours of course work related to procurement and contracting. In May 2002, I was one of two Contract Specialists to be selected as a Team Lead for my work group (TLF/MODW). I also hold a contracting warrant for commercial and non-commercial

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For example, on November 27, 2001, I reported to management that a supplier, ABB, breached their contract with BPA (valued at 85+ million dollars) because they subcontracted cut some design work to an unknown Turkish company without the required approval of the contracting officer (me). Moreover, the COTR had approved of the Turkish company without the required concurrence of the contracting officer, and thus, modified the contract without appropriate authority. This COTR also traveled on government business to Turkey to visit this subcontractor. My action to this situation underscores my honesty and

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price contract for the design of a new steel transmission tower series. was the highest bidder among three, but BPA awarded ABB the contract because they promised to do all the design work in-house. BPA paid top dollar to have ABB employees do the design work, but instead a portion of the work was subcontracted out to an unknown company in Turkey. My management would not allow me to pursue a warranted cost reduction to the ABB contract, and told me to be conciliatory with ABB. In April 2002, my supervisor was reassigned to another job and retained his GS-13 grade. He told me, however, that management told him that one of the reasons why he was reassigned was because of this incident. The new manager that replaced him on April 22, 2002, came in as a GS-14. The first thing this new manager did when he arrived was to display a threatening sign outside his office that read: "The bridges that you burn today may be the bridges you have to cross tomorrow." Just a few days ago, this sign was taken down after employees complained to their union representative.

My husband (who also works in BPA's Logistics Services) and I would really appreciate your help in this matter, as I have to rely to these proposed disciplinary actions by July 25, 2002. Thank you very much for your consider.

Respectfully submitted,

# THE OF EACH

#### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

August 6, 2002

In reply refer to: KR-7C

The Honorable Gordon Smith United States Senator One World Trade Center 121 SW Salmon Street, Suite 1250 Portland, Oregon 97204

Dear Senator Smith:

This responds to your July 18, 2002, inquiry on behalf of Mr. David Mecklem. Mr. Mecklem is seeking payment of interest from Bonneville Power Administration (BPA) under the requirements of the Prompt Payment Act.

We have thoroughly reviewed the request from Mr. Mecklem concerning his contract and the work performed for BPA. Our determination is that Mr. Mecklem is entitled to an interest payment of \$3.97. This amount is based on 5.5 percent interest on his \$4,325 payment during the 6-day period of May 15 through May 21, 2002. The second payment of \$59.87 would not be due interest because the calculated interest was less than \$1.00 and we are not required to pay interest less than \$1.00. A check in the amount of \$3.97 was mailed to Mr. Mecklem on August 1, 2002.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

COMMITTEES:
BUDGET
COMMERCE
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS

## United States Senate

WASHINGTON, DC 20510-3704

July 18, 2002

Mr. Steve Wright
Acting Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208

RECEIVED BY CPA
ADMINISTRATOR'S
GFC-LOG #: 02-0206
RECEIPT DATE:
7-19-02
DUE DATE:
8-2-02

Dear Mr. Wright:

Please find enclosed a copy of a letter I recently received from Mr. David Mecklem regarding the status of his interest payments. In an effort to provide my constituent with the information requested, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 SW Salmon Street, Suite 1250, Portland, Oregon 97204.

Thank you in advance for your prompt attention to this matter.

Sincerely,

Gordon H. Smith
United States Senator

GHS:mhe Enclosure

ASSIGN: KR-7C

cc: FO3, KN/Wash, DF-2, LDavidson-DFR-2

June 29, 2002

The Honorable Gordon H. Smith United States Senate

Dear Senator Smith,

I am requesting your help in gaining information important to me from the Bonneville Power Administration in Portland, Oregon.

From January 7, 2002, to March 15, 2002, I worked on a project as an independent contractor for BPA (Contract Number 00007971). Following completion of the project, I submitted an invoice for payment on March 20, 2002. I received partial payment on May 24, 2002, and the balance of the payment on May 31, 2002. Since these payments exceeded the requirements of the Prompt Payment Act, it seems that interest should be payable for some period of time.

Several contacts I have made in the past few weeks to BPA to learn the status of any interest payments have been unsuccessful. Will you please contact BPA on my behalf to learn if I am entitled to interest on the payment and when I may receive it.

Thank you for your assistance in this matter.

Sincerely,

David K. Mecklem

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Official File

## THE OF THE STATE O

#### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

AUG 3 1 2001

In reply refer to: KR-7C

The Honorable Ron Wyden United States Senate Washington, DC 20510

Dear Senator Wyden:

This is in response to your letter of July 27 requesting that Bonneville Power Administration (BPA) investigate a complaint from your constituents,

The believe that their personal health, the health and production problems they have had with their dairy cows, and electrical shocks they and their cows have received are due to "stray voltage" from a nearby BPA substation.

The letter identifies four distinct issues that we will address. These issues are stray voltage, electrostatic induction, livestock death, and electric field health risks.

Between February and July 2000, BPA conducted extensive tests and measurements on the property in Elk River Valley. The test results were negative. We did not find that BPA equipment, transmission lines, or structures were inducing stray voltages onto the property.

To clarify, stray voltage does not leak from a substation. It is common and normal that some of the local distribution utility's line current returns in the earth back to the substation through ground electrodes connected to the utility's system neutral. This can cause low (less than ten volts) 'neutral-to-earth' voltage differences (referred to as stray voltage) between the soil and metallic objects connected to the utility neutral. Since electricity takes the path of least resistance, an animal or human body would only know of, or 'feel' this voltage difference if that body is a better ground than the ground (earth) itself.

The 40-to-50 volt measurements taken in the dry cow fields between their vehicle and earth is not due to stray voltage, but is a different electrical phenomenon referred to as electrostatic induction, normally expected under transmission lines. As we understand that item O.1. in the list occurred under a transmission line, electrostatic induction is most likely implicated.

Electrostatic induction is caused when a metallic object (such as a vehicle or an irrigation pipe) is located within an electric field (such as the electric field created by the overhead transmission

line). Since a vehicle is insulated from the ground by rubber tires, a human, animal, or any other conductive substance will physically create the path to ground when simultaneously contacting the vehicle and the ground (earth). This would feel much like a shock from rubbing one's feet on carpet then touching a doorknob. Although we would not normally expect shock conditions on the property, it is possible with large trucks or trailers full of pipe. A very simple shock prevention tool the may consider for their farm vehicles and irrigation pipe trailers are a metallic grounding tape that connects to the body of the vehicle and/or pipe and hangs to the earth. These are quite common and can be found at most automotive stores.

In regard to the *livestock deaths*, BPA is aware of only one incident in January 1999. A cow was found dead next to a BPA transmission line structure. Investigation revealed that a down lead, a wire used for grounding the metallic components on transmission line structures, had been severed. The cow could have come into contact with this down lead. BPA has fixed the severed down lead, and installed shields on all of the BPA transmission line structures to physically prevent any future livestock contact. The were paid \$1,000 for the loss of the cow.

In the June 29, 2001, letter, they attribute personal health problems and dairy cow health and production problems to stray voltage. BPA is not aware of any studies that suggest this. Over the last 20 years, many scientific studies on electric field health risks have been evaluated and continue today. Electric fields are not only present in the direct vicinity of transmission facilities, but also to varying degrees with computer screens, electric blankets, and other electrical devices. Since the electric fields rapidly decrease with distance, human exposure to electric fields are actually much higher in everyday household electrical devices, such as televisions and computers, than underneath most transmission lines. Although there is some scientific uncertainty, no adverse health effects have been confirmed.

You ask what can be done to alleviate the problems. The most important thing for them to do is to inspect and upgrade the wiring on their property. When people or animals receive electric shocks as the letter describes, the likely origin of the problem is household and farm wiring. A recent paper titled "Stray Voltage Update 97," presented at the 1997 Rural Electric Power Conference, identified that the major source of stray voltage on farms in this country are due to the neutral voltage drop within the farm's wiring system, caused by the farms own loads and wiring methods. According to the literature, solutions typically involve repairing the dairy electrical wiring and/or upgrading its grounding scheme using equipotential planes within the dairy facility (National Electric Code, NEC Article 547).

Some of the incidents specified in the letter, or observed by BPA employees, illustrate the need to inspect and upgrade their wiring. In one case that BPA investigated, the had a failing irrigation pump in which the pump casing had been bonded to ground. The pump was supplied by a three-phase ungrounded system; there was no grounded neutral supplying the pump. Because this setup was injecting ground current, it was likely the voltage source that has caused some of the shock incidents. In another case, a farm worker received a shock while repairing a metallic roof that had not been grounded. In addition, BPA workers noted that the

electric fence conductor was attached to a roof rafter near the metallic roof. During wet conditions, there likely was some leakage current from the electric fence circuit.

Literature suggests that other solutions to stray voltage problems are for the local distribution to improve customer load balance on the three-phase network, make improvements to the neutral connections or grounding, and possibly isolate the farm's neutral system from the utility's. As we understand, the local distribution utility, Coos Curry Electric Coop, has diligently been addressing all of these issues with the

I am very sorry that the \_\_\_\_\_ are experiencing the problems they are having with their dairy cow farm, but after a thorough investigation, we do not believe that BPA's transmission facilities are causing them. If there is anything else we can do to be responsive to your request, please let me know.

Sincerely,

(Sgd.) Stephen J. Wright

Stephen J. Wright Acting Administrator and Chief Executive Officer

bcc:

Adm. Chron. File - A

ECC - D-7 (01-0407)

BPA - KN/WASH (2)

K. Hunt – KR-7

A. Morrow - KR-7C

R. Roach - L-7

M. Maher - T/Ditt2

F. Johnson - TF/DOB1

Official File - KR (EX-15-12-2)

PZimmer:sw:3502:8/23/2001 (EXCHANGE 02-KR-7C-W:\RegRel\CONGRESS\LETTERS\01\Wyden\01-0407let.doc)

### **United States Government**

#### **Bonneville Power Administration**

## memorandum

DATE: 3/7/00

**REPLY TO** 

Ricardo C. Ortega, SPC Electrical Engineer - TFEI

Chemawa Headquarters 2715 Tepper Lane N.E.

Keizer, OR 97303

(503) 393-2231

SUBJECT: Elk River Dairy Farm voltage measurements.

то: Federated Rural Electric Insurance Corp.

ATT: John Connor

At the request of of the Elk River Dairy farm, I am writing this letter to explain what I witnessed on his property.

I arrived at the Elk River Dairy farm the morning of February 15, 2000 at approximately 11:30 had called the North Bend Maintenance headquarters and requested we come AM. out and investigate the stray voltage problem at his dairy farm. Upon my arrival, informed me that Coos Curry Electric had already been there and had disconnected the neutral bond between the primary and secondary of the distribution transformer serving his dairy. I could not visually verify this from the ground.

I proceeded to conduct voltage measurements around a small portion of the dairy. I measured the following voltages:

| Location                         | Voltage Measured       |  |
|----------------------------------|------------------------|--|
| At transformer pole              | $3.0 - \overline{5.0}$ |  |
| At service/meter pole            | 0.3 – 0.5              |  |
| At service mast near vacuum pump | 0.05                   |  |
| At vacuum pump muffler           | 0.05                   |  |

The readings were made using a ground rod driven into the ground several feet from the object being measured. The instrument used was a Beckman 310 digital multi-meter.

Sincerely,

Ricardo C. Ortega Electrical Engineer PETER A. DEFAZIO
4TH DISTRICT, OREGON

RESOURCES COMMITTEE

SUBCOMMITTEE: WATER AND POWER

TRANSPORTATION AND INFRASTRUCTURE

SUBCOMMITTEES: AVIATION COAST GUARD AND MARITIME TRANSPORTATION

WATER RESOURCES
AND ENVIRONMENT, RANKING



### Congress of the United States

House of Representatives

April 25, 2002

ADMINISTRATOR'S OFC-LOG #: 02 · 0139

RECEIPT DATE: #01 · 0

DUE DATE: #02 · 0

RECEIVED BY BPA

PLEASE RESPOND TO:

2134 RAYBURN HOUSE OFC. BLDG. WASHINGTON, DC 20515-3704 (202) 225-6416

151 WEST 7TH AVE. #400

EUGENE, OR 97401-2649 (541) 465-6732 1-800-944-9603

125 CENTRAL AVE. #350

Coos Bay, OR 97420 (541) 269–2609

612 SE JACKSON ST. #9 ROSEBURG, OR 97470 (541) 440-3523

www.house.gov/defazio/

stray

Stephen Wright, Administrator Bonneville Power Administration PO Box 3621 Portland, OR 97208-3621

Dear Mr. Wright:

According to my constituents, voltage is adversely affecting their dairy farm. The request copies of the voltage studies conducted on their property. I have enclosed a copy of their message for your review and response.

Thank you for your help. My aide, Chris Conroy, is available at 541/440-3523 if you have any questions.

Sincerely,

PETER DeFAZIO Member of Congress

PAD:cc Enclosure

Similar to #01-0407 & #02-0112

ASSIGN: KRIC

cc: FO3, KN/Wash, Anne Morrow-KR-7C, John Cowger-TR-TPP-4

---Original Message-

Greco, Kristine On Behalf Of OR04, GoDucks From:

Sent:

Wednesday, April 10, 2002 6:01 PM

To: Vinson, Tom

Subject:

96685

Date: 4/8/2002 8:07:00 PM Subject: TRV bonneville stray voltage/power quality

Constituent Information \_\_\_\_\_\_

**Prior Email Contact** ------95697, PLD casework?, Deleted

#### Message

We are in the South west part of Oregon, up the Elk River, near Port Orford. We have a very serious stray voltage/power quality issue that is slowly but surely destroying our farm's dairy cattle. Bonneville Power Administration has cooperated some but now takes the stand that they are no longer contributing to our

power quality problems that are causing high somatic cell counts, breeding problems, foot problems, lower total milk output. We are a certified organic, Grade A shipper to Darigold Farms of Portland, Oregon, and also associated with Organic Valley our parent company that hold the label in Wisconsin. worst nightmare other than foot and mouth disease that any dairy farm can experience. We are asking you This is absolutely the help in requesting Bonneville Power administration to do more research, and give us the voltage reports that were measured by their two electrical Engineers Rick Ortega and Allan Vanlueven.(Tests done on this farm) We have had to sell 31 head of livestock (Jersey cows) in two years that were ruined due to stray volatge/power quality issues that compromise the cows immune system. We have doccumentation on this trouble with electricity generated problems. We are asking for your help. Sincerely: Elk River Dairy (Operating as a family dairy Farm since 1915) Telephone e mail

# THE OF AMERICA AND A STATE OF A

#### Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

October 30, 2002

In reply refer to: DR-7C

The Honorable Maria Cantwell United States Senate Foley Federal Courthouse West 920 Riverside, Suite 697 Spokane, WA 99201

Dear Senator Cantwell:

This is in response to the letter forwarded from your constituents, dated September 9, 2002. are angry about the prospect of further rate increases and ask for clearer information about Bonneville Power Administration's (BPA) financial situation.

I can understand frustration when they see their electric bills increase so dramatically and they do not believe they have any control over the situation. BPA, too, is challenged by many external factors over which we have little or no control – factors such as deregulation, market price fluctuations and customer power requirements. We have tried hard, through our letters to the region and public meetings, to explain the situation. Through our Financial Choices public process, we have also asked our stakeholders for their input on what to do. We recently concluded a series of public meetings throughout the region and have received more than 13,000 individual letters, including over 2000 from Benton Rural Electric Association customers like

These are powerful testimonials from the public and we are taking each and every one seriously as we consider our decisions on BPA costs and rates through 2006.

It is clear that, for rate increases are to be avoided. Throughout our Financial Choices public process, I have heard from many who agree with this viewpoint. Ratepayers, utility managers, and boards have told me that their local economies, home and business owners are already suffering and cannot absorb more electricity rate increases. I assure you that I've heard those concerns and that I, too, am very concerned about the impact of further electricity rate increases on the Pacific Northwest economy.

We are doing everything we can to control our rates. We have challenged ourselves to maintain BPA's net internal expenses at or below fiscal year 2001 levels. We have already cut over \$100 million of costs in fiscal year 2002. We will continue to be aggressive in taking all

of the cost cuts that we can before we raise rates. All of our budget line items are on the table and no expenditure is too small to be looked at critically.

One issue that point out specifically is BPA's fish and wildlife expenditures. Congress has directed BPA to balance the use of the hydro system to meet both fish and power needs. This can be expensive during certain times of the year and during very dry years when there is not a lot of water in the system. At the same time, test results are yielding better information about the effectiveness of some of these operations in aiding salmon survival. BPA is working with the appropriate Federal agencies to identify potential hydrosystem operations that would provide the same or better survival rates for endangered fish, while reducing our operational costs.

BPA's programs are subject to internal and external audit and we are always willing to respond to specific questions. Please extend to an invitation to sit down with Ed Brost, our Account Executive for Benton Rural Electric Association, at 509-372-5771. He would be happy to talk with them about BPA's costs, expenses, and rate-setting process, or to provide any related information that might be helpful.

I trust this responds to your inquiry. If you or your staff has other questions, you may call our Washington Constituent Account Executive in BPA's Spokane office, Rob Swedo, at 509-358-7445.

Sincerely,

Stephen J. Wright

Administrator and

Chief Executive Officer

#### MARIA CANTWELL WASHINGTON



## United States Senate

WASHINGTON, DC 20510-4705

CENTO BY RPA OFC-LOG #: () a RECEIPT DATE:

October 7, 2002

Mr. Steve Wright, Administrator U.S. Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

ASSIGN: DR-7C

cc: FO3, DC/Wash, RSwedo-DR/Spok,

GKuehn-DM-7

RE:

Dear Mr. Wright:

My constituent,

has contacted my office for assistance with

an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Marsha Moore in my Spokane District Office at Foley Federal Courthouse, West 920 Riverside, Suite 697 Spokane, Washington, 99201. Marsha Moore can be reached via: phone: 509-353-2507, fax: 509-353-2547, or email: marsha\_moore@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely.

Maria Cantwell

United States Senator

MC:mm Enclosure September 9, 2002

RECEIVED

Administrator Stephen Wright PO Box 2621 905 NW 11th Ave Portland, OR 97232

Dear Administrator Stephen Wright:

Thank you for responding to the Benton Rural Electric Association in the West Richland area. We are feeling extremely frustrated over the rate increases we are forced to endure and we need some clarification as to why this is happening.

My husband and I are among thousands of consumers struggling to pay these exorbitant rates and we have only our disability to survive on. He has had five strokes in the past three years and we have had to do some major cutbacks in order to survive on \$1200 per month. Out of this come my medical needs, prescriptions, housing, utilities, gas, insurance and food. I must say however, that we still are blessed daily because he is still alive. We have three beautiful daughters who married three wonderful husbands and they have given us seven terrific grandchildren, so in all of this hardship we are truly blessed.

#### My request of you is as follows:

As an electrical consumer I believe it would be prudent of Bonneville Power Administration to account for the rate increases in detail to each and every electrical consumer. Give us a reason as to why these rates continue to increase higher than the pay increases general public gets. Are we really a democracy? Who died and made Bonneville Power Administration God?

While the general public struggles to deal with tax increases for gas and other state ordained increases that are forced on us, we quit getting medications and proper health care because there is not enough money to pay for them. Perhaps in my next life I will be a Salmon and then I will get taken care of by Bonneville Power Administration. Where does quality of life enter into the determining factor of power rates? Our livelihoods are far more important to me than fish or conservation efforts that are supposedly being taken care of by BPA.

They need to review their Strategic Mission statement. "We will remain the least-cost producer and a creative and flexible marketer in the region. Our success will help ensure economically strong Pacific Northwest communities."

Somehow I feel they have lost track of who they are and what they are supposed to be accomplishing. They need to realize that they are costing themselves money and expecting us to pick up their deficit.

Please require a financial accountability from Bonneville Power Administration. I mean really account for the monies they say they are using. Mike Hansen said in an interview last week with KNDU-TV that they have a 400-million dollar deficit. He also stated that it would be offset by balancing it between rate hikes and program cuts. He then said, "We want the money to magically appear for fish & wildlife programs." He infers that none of these programs are

attainable without price increases but I ask you this; what happened to the \$5 million they received just from Benton Rural Electric Association last year from that rate hike?

I cannot find any losses in their quarterly reports that reflect \$400 million. If all this be true, then why are they proposing to hire 300-400 more employees this year? Do we have to pay for that too? He stated that he is tired of hearing about the rate increases because we won't give up the fishing programs—guess what? I do not recall being asked! I resent the fact that they assume (just because they say so) that my consumer rates go up for no reason. Excuse me! But is this de ja vue for anyone else besides me? Taxation without representation, increased rates because BPA got greedy and now wants us, the ratepayer, to help them recover their profits. I don't think so!

It is absolutely essential that we be informed of their credibility. We can no longer pay for their impetuous, irresponsible business decisions. When the consumer starts asking questions we get accused of whining. How can we get someone to put a lid on their constant over budgeting due to high executive salaries and unnecessary spending? Please hold them accountable.

Our state is going through some large lay offs and employee cutbacks in every arena of business. If Bonneville Power Administration has a deficit problem then make them do like all other businesses and the general public are doing—get over it---- and get on with life. Don't expect us, the ratepayers, to make up for their bad business decisions. (ie: telecom and fiber optics and fish programs and conservation projects and on and on and on.)

BPA had no problem selling extra power to outside entities when the energy crunch was on. They sold it at an inflated price and when wholesale rates went down they lost some revenue. That was not our decision. However, they want to raise rates again to compensate their loss. How can they go on making these multimillions of dollars and tell us they are forced to raise the rates again? Forced by whom? I say, it is their own greed and mismanagement practices.

We live in America and we are continuously asked to help each other and stand together as one nation and sacrifice when times are rough for the whole of the communities and state. I believe we do that all the time. But **Enough is Enough!** Now there must be an accounting from BPA as to where all the millions of dollars are going.

There should only be ONE accounting audit that accounts for the electrical usage of the ratepayers. There should be no diversification of funds or revenues transferred between programs, rate increases, employee salaries that are not pertaining to our electrical needs and no further hiring or unnecessary spending unless we, the consumer, know about it. We are being left completely out of the loop and then forced to accept any answer BPA gives as justification for increases.

We are now told that another utility tax from the City of West Richland is being imposed immediately and so our bills go up again and another chunk of the already depleted income is taken away. There is only so much weight bearing load that the consumer can bear. We are getting hit from all directions and there doesn't seem to be an end in sight.

Now is the time for a confrontation on all the issues mentioned. An accounting must be given by BPA for their rate increase and where that increase goes after they receive it. I believe that it is going for other programs less important and is being covered up by BPA and they want us the ratepayer to once again carry the brunt of their poor business decisions and money management.

Benton Rural Electric Association has been trying to intercept the rate hikes by not raising domestic usage rates even though BPA raised the wholesale rate to them. I appreciate an association who is respondent to the needs of their members. Mr. Charles Dawsey and his staff have been extremely understanding in hearing our frustrations regarding BPA's continued efforts to put more costs on the ratepayer because of their program spending that worsens the situation. Benton REA is a good example for all the other electrical suppliers in our area. They are not afraid to stand up for the consumers. They too, at one point, will get caught in the middle of the antics of BPA's extreme rate increases and have to act in self-defense in order to continue power service to its members. I thank Benton REA for their concern and continued efforts to uphold integrity and credibility to the electrical industry.

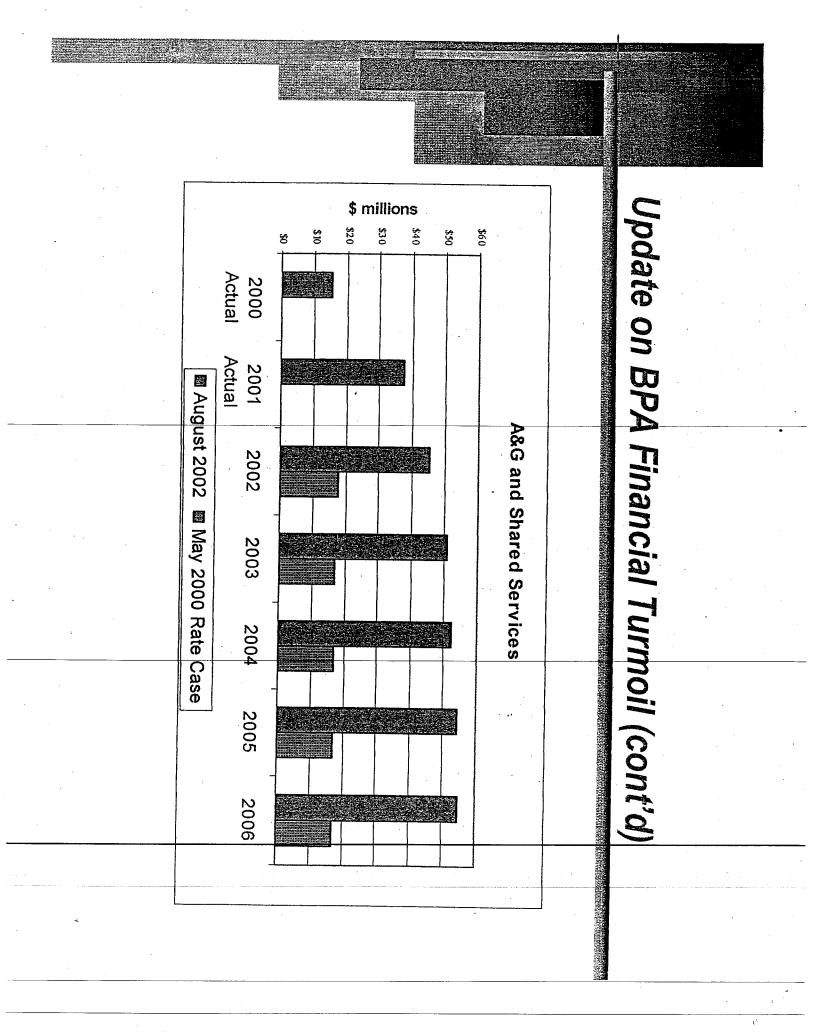
This is beyond the point of urgent, it is a downright emergency. We need intervention from a higher governmental authority to step in and demand answers. BPA has gone unchecked for to long and it is time for the powers that be to intercede with a determinating goal in mind: Do not let BPA bankrupt the state of Washington. Everyone from farmers to small businessmen is ready to close their doors because of the power bill. That doesn't seem right to me.

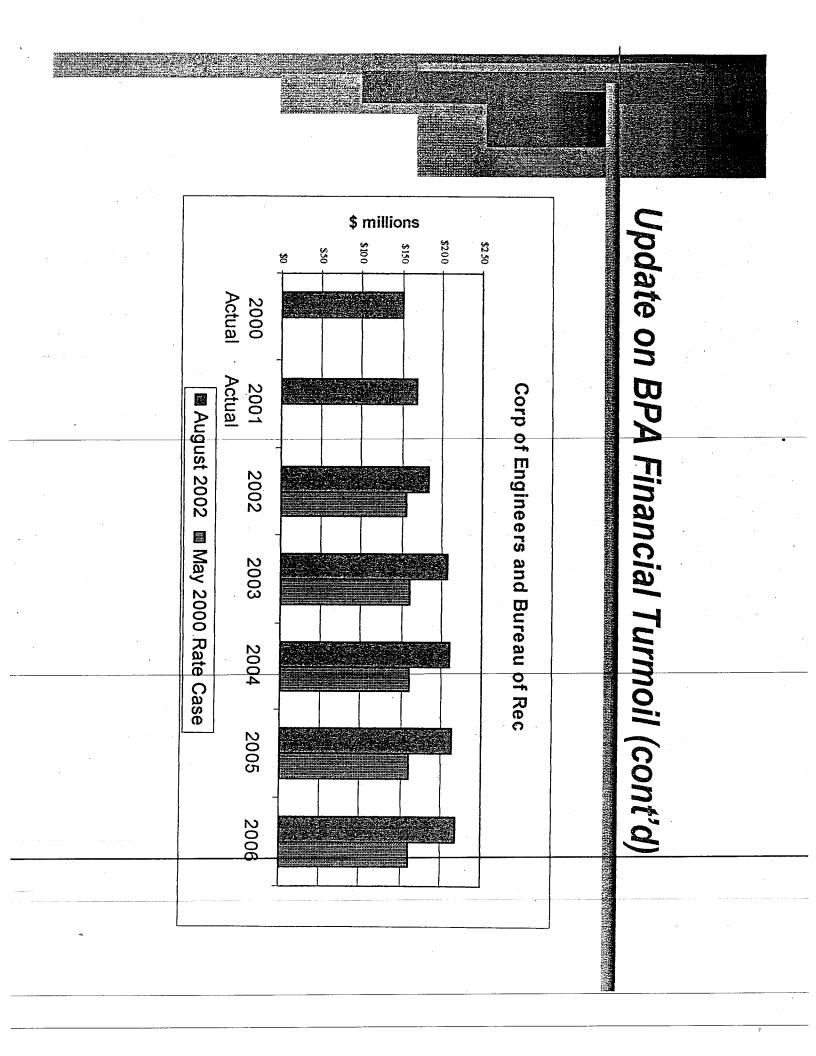
But let us not forget, BPA spent 1.5 Billion dollars on fish and wildlife last year. Do you see the absurdity of their spending? Unfortunately, we don't find out about it until after the fact, but this time I think they have gone to far. If they continue in this spiraling spending spree it will put us all in bankruptcy court! And that's the truth!

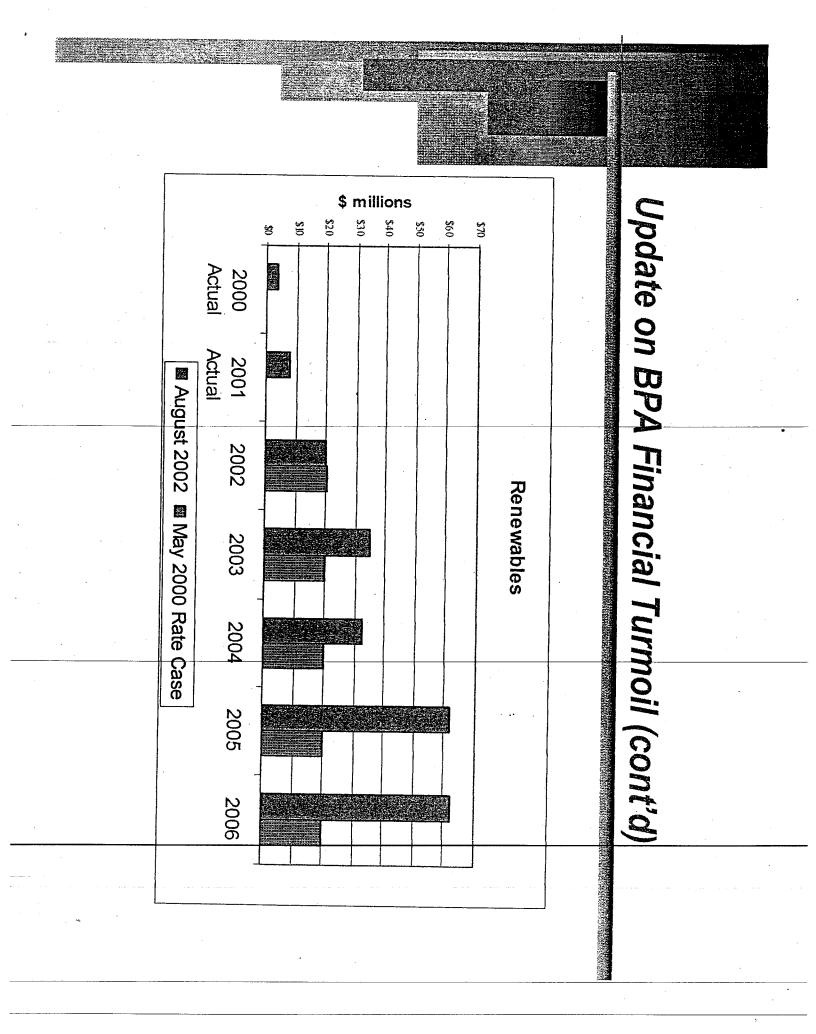
Please review the enclosed information regarding their quarterly reports, expenditures, and projections for future expenses. (Focus on the excessive expenses once again) It looks to me like they are never going to stop no matter what the ratepayers are going through because they don't have to answer to anyone.

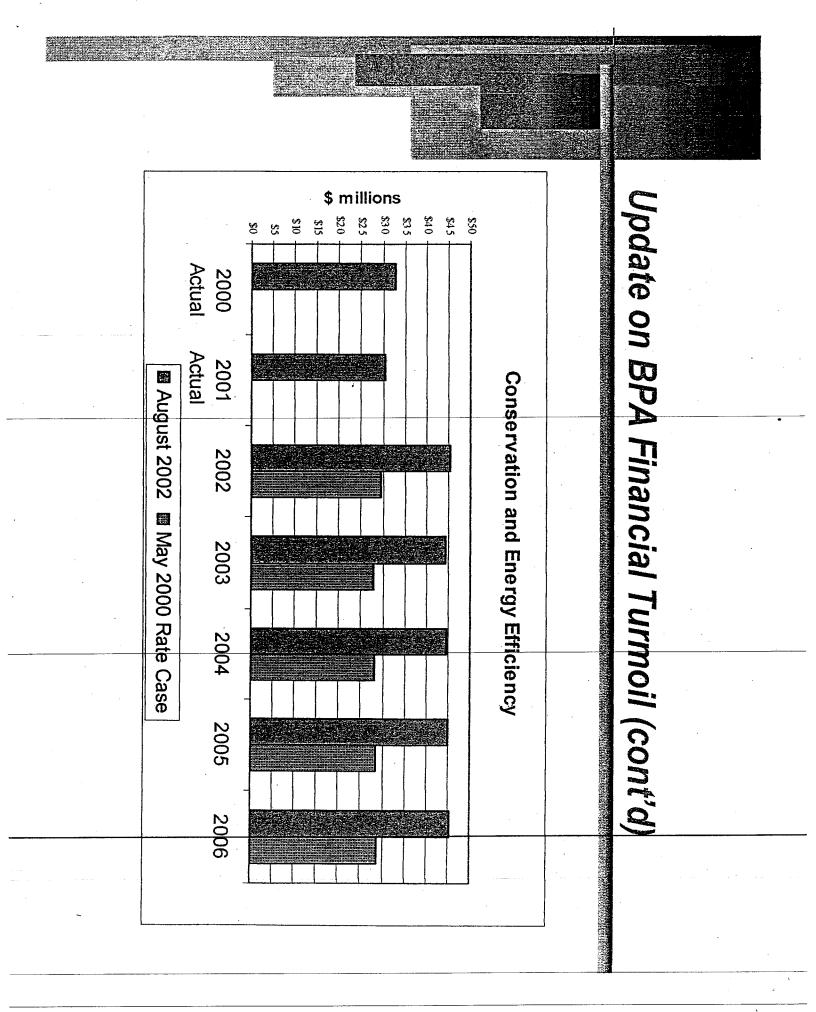
I believe I can speak for all the ratepayers in our area and we say: Do something, and do it quickly because they are supposed to make their rate decision by October 1.

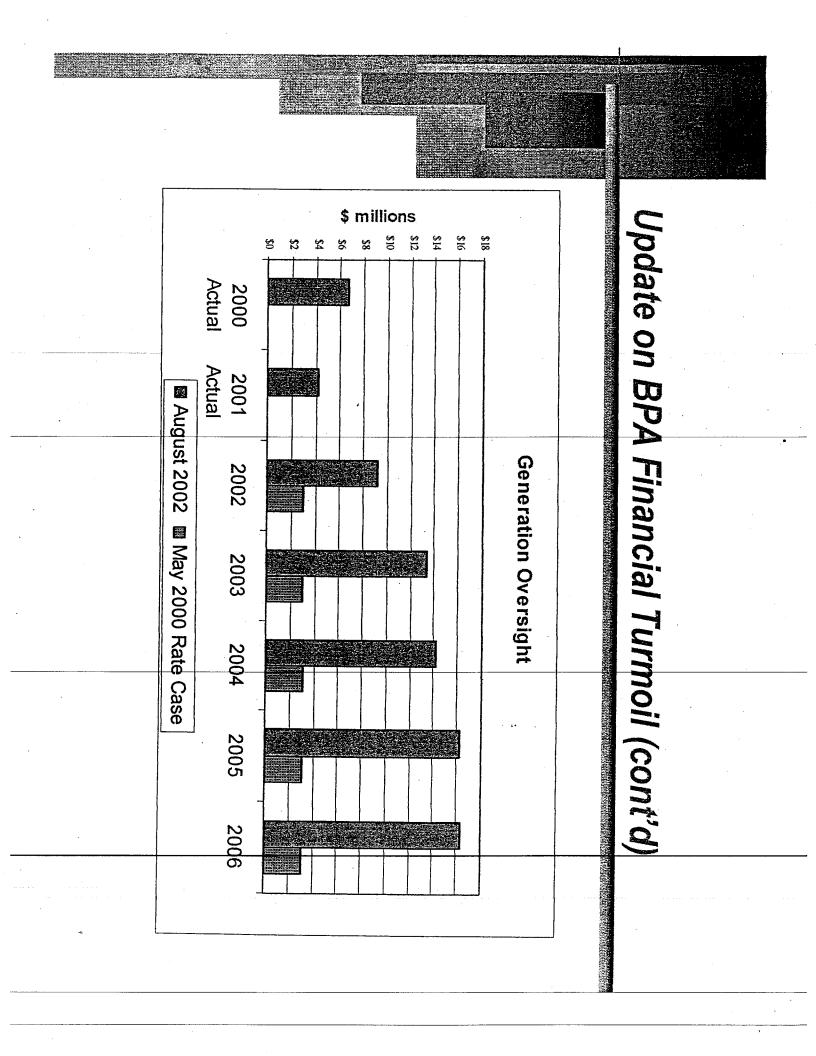
| I man to the least to the first time and a said at the said time and time a | <br> |  |
|--|------|--|
| I want to thank you for your time and consideration on this very important matter.   |      |  |
| • •  |      |  |
|  |      |  |
| Sincerely  |      |  |

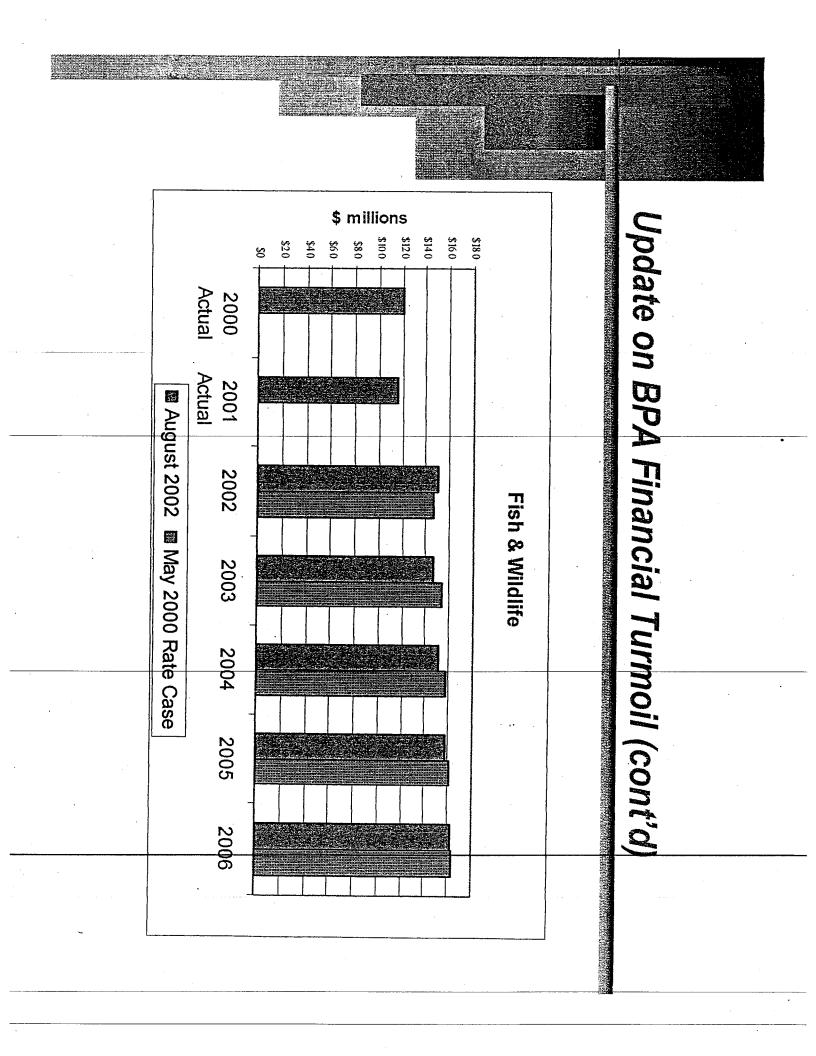


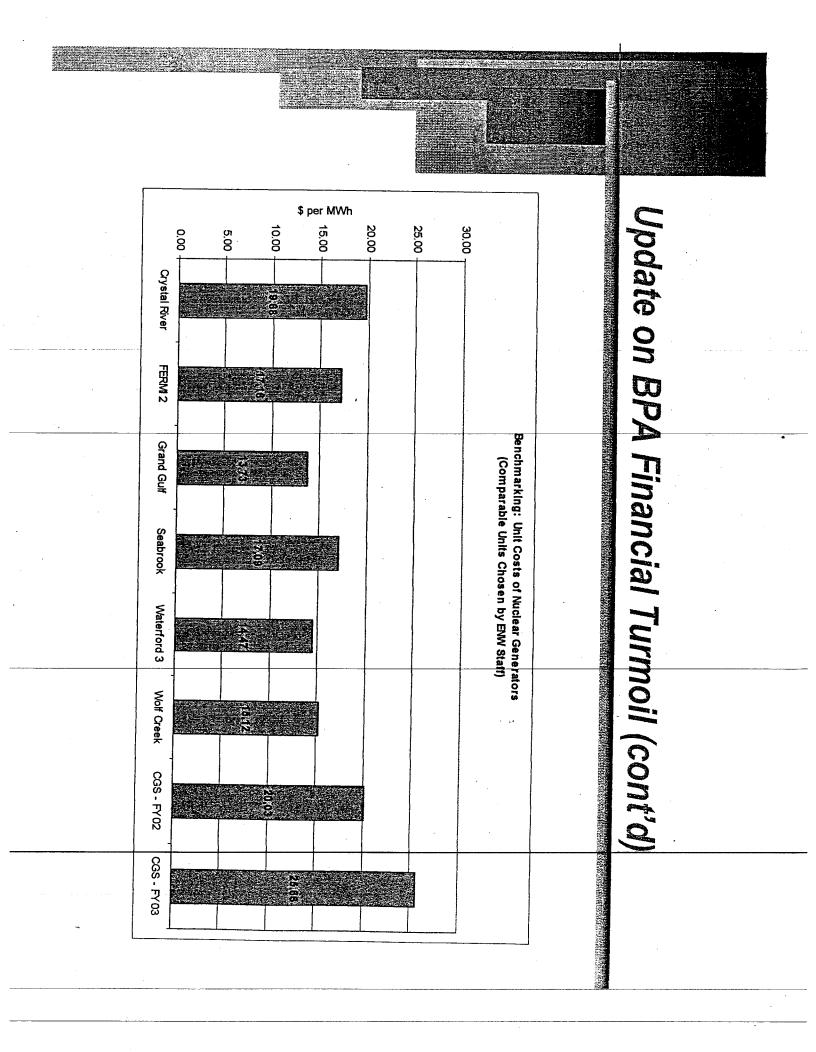


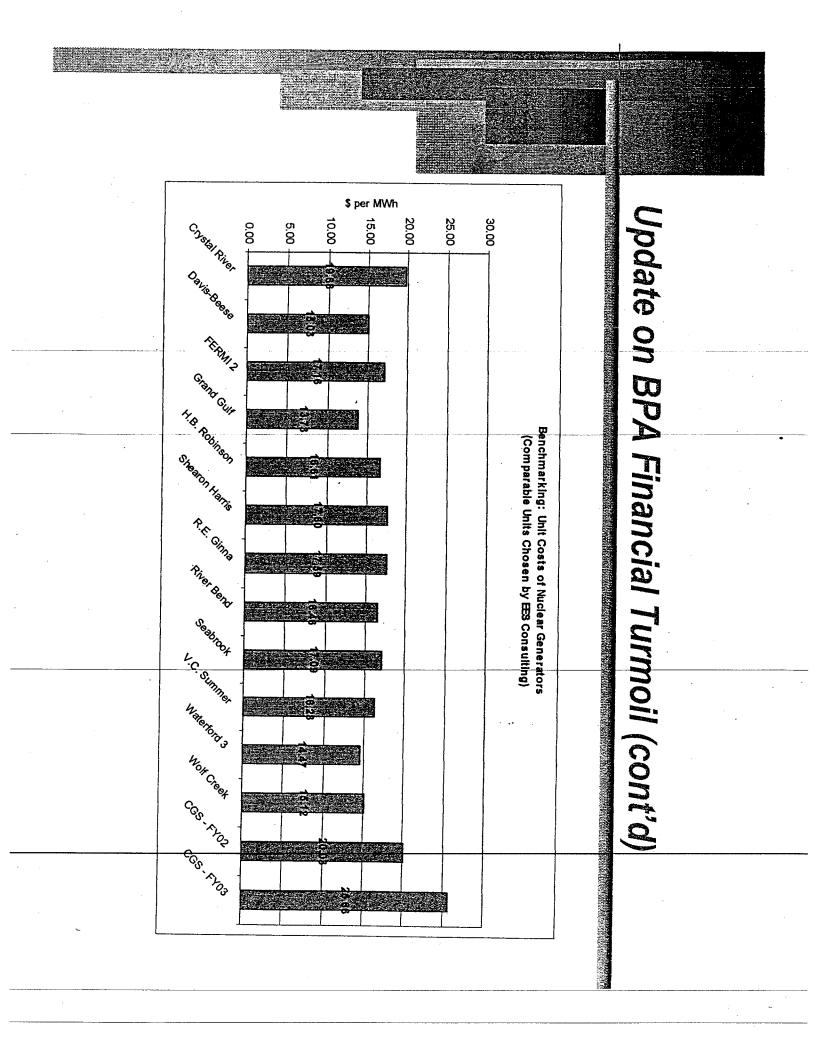












#### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

November 22, 2002

In reply refer to: DR-7C

The Honorable Maria Cantwell United States Senate Jackson Federal Building 915 2<sup>nd</sup> Avenue, Suite 3206 Seattle, WA 98174

Dear Senator Cantwell:

This is in response to your letter to me of October 15, 2002, forwarding the concerns of your constituent, is concerned about Bonneville Power Administration's (BPA) proposal to build the Southwest Washington/Northwest Oregon Reinforcement transmission line. BPA has identified five alternate routes for this project. One of these alternates runs near property.

The Southwest Washington/Northwest Oregon Reinforcement project is on hold. There is a great deal of uncertainty in energy markets today regarding both transmission and generation, and as a result, we have decided to postpone the project. As states, she has received e-mails from BPA staff describing the situation. (Copies of these e-mails are enclosed for your review.)

The Project would move electricity from new generating plants that were planned for the Satsop, Centralia, Chehalis and Longview, Washington areas. Some of these plants are now on hold. Developers made plans to build two years ago when prices for wholesale power were very high and generation was not adequate to meet demand. Since then, some new generation plants have come on line in the Northwest and power prices have collapsed. In addition, the economic downturn in the Pacific Northwest has led to a reduced demand for electricity. Developers have made decisions to delay their generating plants because they would not be profitable in today's market.

BPA will not proceed with scoping or building this transmission line until we get funding commitments from these developers or other third party financers. To date, we have not received commitments from any of them.

Should economic conditions change and BPA secure funding, the project would proceed.

At that point, there would be many opportunities for other community member groups, environmental groups, local Tribes, and any other interested parties to provide input. There will be a year-long public involvement process to discuss the need for the line and the

alternatives being considered (including not building a line). After hearing from the public and thoroughly evaluating potential environmental impacts, BPA will determine the preferred alternative in a draft environmental impact statement. The public will again have an opportunity to give BPA input on the environmental analysis and the preferred alternative.

Only after that extensive public process will BPA develop a final EIS that describes in detail the preferred alternative. Once the final EIS is completed, BPA will issue a record of its decision. If BPA's preferred alternative impacts property, BPA will work very hard with her to negotiate a fair and reasonable approach. As we have communicated to earlier, Eminent Domain is an action we use as a very last resort.

I hope this information is helpful to you and

If there is anything else BPA can do to address your concerns, please contact me or have your staff contact Cindy Custer at 360-943-5375 or Jamae Hilliard Creecy in our Transmission Business Line's public affairs department, at 360-418-8367.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

**Enclosures** 

### View e:\emailobj\200210\1012144807.txt

From:

Date:

10/12/2002 2:46:05 PM

To:

webmail@cantwell-iq.senate.gov

Subject:

www\_email

SSN: 540-50-5241

#### Senator Cantwell

I have a major concern regarding Bonniville Power Admin. My home is possibly located within one of the routes of the SW Washington/NW Oregon Reinforcement Project. The bottom line is I do not want to lose my house. As I am getting very close to retirement age, I had planned to retire in this house. I cannot start over again, I have put in many long hours in home improvement and repair. I have been having contact with Bonniville Power-three emails to be exact. With this last communication a person named Christine M Kimball- states the following-the project has been put on hold, a specific route has not been decided. She then futher states that if the project is taken off hold "you will be notfiied by letter." Futher-Eminent Domain is a action we use as a very last result and BPA works hard with the landowner before resorting to this process. The above general statement implies that I have be desmissed and that futher communication on my part, is not welcome. The above reply from Ms Kimball is asking me to put my life on hold for a undertermed amount of time, which daily is causing me great concern. I would appriciate any help you or your office could provide.

Sincerly,

==== Original Formatted Message Starts Here ====

Senator Cantwell

I have a major concern regarding Bonniville Power Admin. My home is possibly located within one of the routes of the SW Washington/NW Oregon Reinforcement Project. The bottom line is I do not want to lose my house. As I am getting very close to retirement age, I had planned to retire in this house. I cannot start over again, I have put in many long hours in bourse improvement and repair. I have been having contact with Bonniville Power-three e-

#### Zimmer, Pat - DR-7C

From: Kimball, Christine M - TRT-TPP-4

**Sent:** Tuesday, October 29, 2002 10:51 AM

To: Zimmer, Pat - DR-7C; Hilliard Creecy, Jamae - T-DITT2

Subject: E-mail Responses to

The following are my responses to

----Original Message----

From: Kimball, Christine M - TRT-TPP-4 Sent: Thursday. October 17, 2002 8:33 AM

To:

Subject: RE: ? new energy line instillation

I apologize for the inconsistent info. The following information is what I tried to explain in more detail:

This is specific details about the current status of Southwest Washington/Northwest Oregon Reinforcement Project.

At this moment, the entire project has been postponed. The Notice of Intent was released mid August 2002, in addition to some media coverage. BPA wanted to insure early involvement with stakeholders was important and had begun to plan twelve public scoping meetings in Oregon and Washington. The meetings, to be held in September and October have been cancelled and will not be rescheduled until BPA has received financing from the generators.

If project is taken off of "postponed" status, your property will possibly be involved in one of the alternative routes that parallels an existing line. There are five proposed alternatives under consideration. All alternative routing locations start at a new substation site located north of Longview, Washington and approximately five miles west of Castle Rock, Washington. An exact substation site has yet to be determined, but there are several options under consideration. All alternative transmission line options require new 150-foot wide right-of-way except alternative D, which is located almost entirely on existing vacant right-of-way. Other alternatives may be identified through the scoping process.

BPA has not identified a preferred route.

The project has been delayed due to the lack of financial commitments from generators who have requested transmission. All activities are on hold and will begin as soon as these generators have made a financial commitment to BPA.

New generation is still needed to meet increasing demands for energy. Without the new generation there could be a shortage of energy during cold winter peak load conditions. This project is designed to create a transmission system flexible enough to meet Oregon and Washington's growing demand for reliable and affordable electrical service.

The public can visit TBL Web site at <a href="www.transmission.bpa.gov">www.transmission.bpa.gov</a>, to access updated project information, check the status of a project, and view project documents/handouts. In addition, the Political Strategy and Public Affairs group is commitment to keeping all interest parties involved.

and informed about the progress of this project.

This is all the information I can give to you at this time.

-----Original Message-----

From:

**Sent:** Friday, October 11, 2002 9:40 AM **To:** Kimball, Christine M - TRT-TPP-4 **Subject:** Re: ? new energy line instillation

Christine,

As a concerned property owner/tax payer-and a person who is soon to retire, I need more information about what "on hold" means. As I want to stay on my land till the day I die.

In your last response you state the project has been put on hold then in your next sentence you state the route has not been decided. That to me says my property is still under consideration.

I need "on hold" information as soon as possible and do not want to wait to be notified by letter at some point in time.

---- Original Message -----

From: Kimball, Christine M - TRT-TPP-4 Sent: Thursday. October 10, 2002 9:50 AM

To:

Subject: RE: ? new energy line instillation

The location of your property is possibly within one of routes of the SW Washington/NW Oregon Reinforcement Project, which to date has been put on hold. A specific route had not been decided. If they take this project off hold and pursue a route that will effect your property BPA will notify you by a letter. Eminent Domain is a action we use as a very last result and BPA works as hard as they can to negotiate with landowners before resorting to this process.

----Original Message----

From:

Sent: Wednesday, October 09, 2002 6:52 PM

**To:** Kimball, Christine M - TRT-TPP-4 **Subject:** Re: ? new energy line instillation

Janet

I do not know what a section, township, range might be. The county is Clark county. The major streets are hwy 99 and St. Johns Rd. Thanks

---- Original Message -----

From: Kimball, Christine M - TRT-TPP-4 Sent: Wednesday, October 09, 2002 9:26 AM

To:

Subject: RE: ? new energy line instillation

In order to process you request, I'll need the Section, Township, Range, and County of your property as well as any major streets near by. Thanks.

----Original Message----

From:

Sent: Wednesday, October 09, 2002 9:06 AM

**To:** Kimball, Christine M - TRT-TPP-4 **Subject:** FW: ? new energy line instillation

Importance: High

Please respond to request below!

-----Original Message-----

From: BPA Public Involvement

Sent: Wednesday, October 09, 2002 9:05 AM

To

Subject: FW: ? new energy line instillation

----Original Message-----

From:

Sent: Tuesday, October 08, 2002 9:55 PM

To: comment@bpa.gov

Subject: ? new energy line instillation

I heard a rumor that BPA may be putting in a new energy line that may be coming close to my property and extending out to Sandy Oregon.

My question is will my property be coming under the eminent domain policy and also when can I expect this to happen, I heard approx two years. Please respond asap

My address is

SMALL BUSINESS

## United States Senate

WASHINGTON, DC 20510-4705

October 15, 2002

Mr. Steve Wright Administrator U.S. Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

ASSIGN: DR-7C

cc: FO3, DC/Wash, Cindy Custer-DR/WSGL, T/Ditt2, John Cowger-TR/TPP4, Chris Kimball-

TRT/TPP4

RE:

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell
United States Senator

MC:jp Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353–2507
FAX: (509) 353–2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404 ☐ MARSHALL HOUSE
1313 OFFICERS' ROW
FIRST FLOOR
VANCOUVER, WA 98661
(360) 696–7838
FAX: (360) 696–7844

1100 JADWIN AVENUE G-58-A RICHLAND, WA 99352 (509) 946-8106 FAX: (509) 946-9377  717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510–4705 (202) 224–3441
 FAX: (202) 228–0514

#### View e:\emailobj\200210\1012144807.txt

From:

Date:

10/12/2002 2:46:05 PM

To:

webmail@cantwell-iq.senate.gov

Subject:

www\_email

#### Senator Cantwell

I have a major concern regarding Bonniville Power Admin. My home is possibly located within one of the routes of the SW Washington/NW Oregon Reinforcement Project. The bottom line is I do not want to lose my house. As I am getting very close to retirement age, I had planned to retire in this house. I cannot start over again, I have put in many long hours in home improvement and repair. I have been having contact with Bonniville Power-three emails to be exact. With this last communication a person named Christine M Kimball- states the following-the project has been put on hold, a specific route has not been decided. She then futher states that if the project is taken off hold "you will be notfiied by letter." Futher-Eminent Domain is a action we use as a very last result and BPA works hard with the landowner before resorting to this process. The above general statement implies that I have be desmissed and that futher communication on my part, is not welcome. The above reply from Ms Kimball is asking me to put my life on hold for a undertermed amount of time, which daily is causing me great concern. I would appriciate any help you or your office could provide.

Sincerly,

Pearl J. Hansen

==== Original Formatted Message Starts Here ====

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Subject:

www\_email

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### Zimmer, Pat - DR-7C

From: Kimball, Christine M - TRT-TPP-4

Sent: Tuesday, October 29, 2002 10:51 AM

To: Zimmer, Pat - DR-7C; Hilliard Creecy, Jamae - T-DITT2

Subject: E-mail Responses to

The following are my responses to I

----Original Message----

From: Kimball, Christine M - TRT-TPP-4 Sent: Thursday, October 17, 2002 8:33 AM

To:

Subject: RE: ? new energy line instillation

I apologize for the inconsistent info. The following information is what I tried to explain in more detail:

This is specific details about the current status of Southwest Washington/Northwest Oregon Reinforcement Project.

At this moment, the entire project has been postponed. The Notice of Intent was released mid August 2002, in addition to some media coverage. BPA wanted to insure early involvement with stakeholders was important and had begun to plan twelve public scoping meetings in Oregon and Washington. The meetings, to be held in September and October have been cancelled and will not be rescheduled until BPA has received financing from the generators.

If project is taken off of "postponed" status, your property will possibly be involved in one of the alternative routes that parallels an existing line. There are five proposed alternatives under consideration. All alternative routing locations start at a new substation site located north of Longview, Washington and approximately five miles west of Castle Rock, Washington. An exact substation site has yet to be determined, but there are several options under consideration. All alternative transmission line options require new 150-foot wide right-of-way except alternative D, which is located almost entirely on existing vacant right-of-way. Other alternatives may be identified through the scoping process.

BPA has not identified a preferred route.

The project has been delayed due to the lack of financial commitments from generators who have requested transmission. All activities are on hold and will begin as soon as these generators have made a financial commitment to BPA.

New generation is still needed to meet increasing demands for energy. Without the new generation there could be a shortage of energy during cold winter peak load conditions. This project is designed to create a transmission system flexible enough to meet Oregon and Washington's growing demand for reliable and affordable electrical service.

The public can visit TBL Web site at <a href="www.transmission.bpa.gov">www.transmission.bpa.gov</a>, to access updated project information, check the status of a project, and view project documents/handouts. In addition, the Political Strategy and Public Affairs group is commitment to keeping all interest parties involved.

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This is all the information I can give to you at this time.

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From:

**Sent:** Friday, October 11, 2002 9:40 AM **To:** Kimball, Christine M - TRT-TPP-4 **Subject:** Re: ? new energy line instillation

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Sent: Wednesday, October 09, 2002 6:52 PM

To: Kimball, Christine M - TRT-TPP-4

Subject: Re: ? new energy line instillation

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To:

Subject: RE: ? new energy line instillation

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----Original Message-----

From: Dahlheim, Janet - TRFS-TPP-4

Sent: Wednesday, October 09, 2002 9:06 AM

**To:** Kimball, Christine M - TRT-TPP-4 **Subject:** FW: ? new energy line instillation

Importance: High

Please respond to request below!

Janet Dahlheim TRFS-TPP-4 360-619-6474

----Original Message-----

From: BPA Public Involvement

Sent: Wednesday, October 09, 2002 9:05 AM

To: Dahlheim, Janet - TRFS-TPP-4

Subject: FW: ? new energy line instillation

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**To:** comment@bpa.gov

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My question is will my property be coming under the eminent domain policy and also when can I expect this to happen, I heard approx two years.

Please respond asap

My address is

# THE OF HE

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

January 3, 2003

In reply refer to: DR-7C

The Honorable Gordon H. Smith United States Senator One World Trade Center 121 S.W. Salmon Street, Suite 1250 Portland, OR 97204

#### Dear Senator Smith:

Thank you for your letter dated December 5, 2002, providing the opportunity to respond to the concerns of your constituents. We regret the frustration and discouragement the feel about their inability to follow through on their plans and hopes for the use of their property within the Bonneville Power Administration (BPA) transmission line rights-of-way easements. The two easements were in place long before they purchased the property. As such, their title policy and the value of the property should have properly given them notice of these restrictive encumbrances.

BPA acquired its rights to two parallel easements across this property; one, a 162.5-foot Transmission Line Easement dated September 24, 1969, and recorded under Auditor's File No. 15828, and the other, older 100-foot easement, by Declaration of Taking, Civil 173, filed July 14, 1939, and recorded November 15, 1939, in Benton County Auditors Office, State of Oregon. The easement controlling the location of the existing shed and their proposed shed includes among the rights acquired by BPA "the present and future right to clear the right of way and keep the same clear of brush, timber, structures and fire hazards.....".

BPA has discovered over time how difficult and critical it is that it preserves its property rights in order to maintain a safe and reliable transmission system affecting the entire Western United States and British Columbia. BPA holds these rights in trust for the public and uses them for carrying out its public responsibilities. In 1990 a cross-agency task force was established to review an unsatisfactory encroachment program. Encroachments were increasing at an exponential rate over the 15,000 miles of BPA's rights-of-way and having serious impacts on their ready accessibility and usability, particularly in more urban and developing areas. The task force determined that BPA must begin to vigorously enforce its existing rights by not allowing new structures and following a uniform and consistent program for eliminating older encroachments, one-by-one, over time.

As our letter to the dated October 17, 2002, describes, their special request for BPA to release a portion of the right-of-way between the two lines, large enough to construct a new woodworking shop, was denied based on possible future needs. Further, the existing woodshop violates our easement rights and constitutes an encroachment on BPA's right-of-way. The existing woodshop near the 115- kV line was cautiously grand fathered by our standard Notice of Limited Consent (Notice), primarily because of the length of time it has been at its current location, and

because it does not currently interfere with BPA's ability to operate and maintain the existing transmission line. If the existing structure at some point is officially determined to be a safety hazard, or if the line is upgraded and the distance from the line needs to be widened, BPA must require that the structure be removed. The provision in the Notice that states that the structure should not be altered, enlarged, or rebuilt gives the landowner effective notice that they may not want to make expensive improvements on a structure that may need to be removed. In some instances a Notice serves the landowner's needs for many years—in others, this may not be an effective alternative. In the latter case, the Notice may give the landowner time to make other plans.

All of that said, however, it seems a reasonable compromise and response to your specific inquiry be able to at least repair the leaky roof on their existing woodshop. So, with some that the very clear limitations, BPA has decided to modify the provisions in the Notice slightly to allow the to make repairs to the roof on the existing woodshop. We grant this exception with the strong caution that any modifications to the existing woodshop beyond repairing the roof will be cause for canceling our Notice of Limited Consent that allows the woodshop at all. Should BPA find that improvements have been made to the woodshop beyond repairing the roof, we will have cause to require that the entire structure be removed. We will also ask that the exercise extreme caution while repairing the roof. This structure is within 25 feet of our high voltage transmission line, and working on a roof will bring the workers even closer to our wires. This can be an extreme safety hazard for those workers.

For your information, I have included a copy of the booklet "Landowner's Guide to Use of BPA Rights-of-Way" which discusses the process for permitting of compatible uses and briefly outlines what can and can't be done on BPA rights-of-way.

Our primary goal and responsibility is to provide your constituents and the citizens of the Northwest with a reliable, safe, efficient, and cost effective transmission system. If you have suggestions for how we might achieve this goal while addressing the expectations, we would greatly welcome them.

Respectfully,

Stephen J. Wright Administrator and

Chief Executive Officer

cc:

Gary Schmidt One World Trade Center 121 S.W. Salmon Street, Suite 1250

Type Joylet

Portland, OR 97204

COMMITTEES:
BUDGET
COMMERCE
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS

# United States Senate

WASHINGTON, DC 20510-3704

December 5, 2002

Mr. Steven Wright Administrator Bonneville Power Administration P.O. Box 3621 Portland, OR 97208

Dear Mr. Wright:

ASSIGN: DR-7C

cc: FO3, DC/Wash, T/Ditt2, John Cowger-TR-TPP4, Joan Dietz-TR-TPP4

Please find enclosed a copy of a letter I recently received from of Albany regarding his right-of-way easement dispute with the BPA. In an effort to provide my constituent with the information requested, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 S.W. Salmon Street, Suite 1250, Portland, Oregon 97204. If you have any questions, please contact Gary Schmidt of my staff at 503-326-2910.

Thank you in advance for your prompt attention to this matter.

Sincerely,

Gordon H. Smith United States Senator

GHS:gs Enclosure

#### QUINSTRUCTION, INC.

P.O. BOX 2437 ALBANY, OR 97321 (541) 924-5992

NOVEMBER 25,2002

SENATOR GORDON SMITH 121 S.W. SALMON PORTLAND, OREGON 97204

SUBJECT: BPA-

#### DEAR SENATOR SMITH

LAST AUGUST I TALKED TO ONE OF YOUR STAFF AT AN OBIA FUND RAISER FOR ALL OUR REPUBLICAN CANDIDATES, INWHICH WE TALKED ABOUT AN ISSUE ONE OF MY CUSTOMERS HAVE RAISED. IN JAN 2002

WERE CONTACTED BY PEOPLE OF THE BPA ABOUT TRIMMING THEIR TREES IN THEIR BACKYARD, WHICH THE VERY HAPPILY SAID YES, IN THE COURSE OF CONVERSATION WITH THE BPA OFFICAL ABOUT HOW THEY WANTED TO MOVE AND ENLARGE THEIR SHOP, THE TO LET THE BPA TAKE DOWN 6 TREES IN THEIR BACKYARD, AND WERE GIVEN THE NOTION THAT IT WOULD BE OK, BUT GET AHOLD OF A REALTY SPEACIALIST BY THE NAME OF JOAN DIETZ, NOW SHE HAS SENT BACK LETTERS OF REFUSAL, FOR HAVE WAITED 9 MONTHS VERY PATIENTLY STOPPING THE THE AS OUR SYSTEM LET THEM DOWN, I'VE BUILT ALOT OF HOMES AND SHOPS IN THIS AREA AND NEVER HAD THIS PROBLEM. THIS NEW SHOP IN MY PROFESSIONAL OPINION WOULD NOT CREATE ANY PROBLEMS IN FACT BY MOVING IT APROX 30' TO THE WEST JUST LIKE THE TREE TRIMMING OFFICIAL FROM BPA SAID WOULD BE A VERY SUITABLE SOLUTION TO A SITUATION THAT MAKES THINGS BETTER. I HAVE SENT YOU A LETTER FROM THE ALONG WITH MAPS, AND LETTERS FROM THE BPA. IF YOU HAVE ANY QUESTIONS PLEASE CALL ME OR THE

THANK YOU, SINCERELY

MICHAEL F. QUINN

QUINSTRUCTION DEV. INC.

STATE DIRECTOR OBIA NATIONAL DIRECTOR NAHB

P.S. CONGRADULATIONS ON YOUR VICTORY.

#152 MEV, 3/13/97 INTUIT 1-803-433-8810

Gordon J. Smith United States Sevetor

Dear Sesistor Smith),

This letter may have a note of frustration & desperation because those are my feelings as a result of my dealings with the Bonneville lower adm. I am writing to you in the hope That you can assist me in achieving a reasonable use of Och property. To give you a brief background, my wife i I purchased our lovely home in To allany in July 2001. Our property is -62 of an acre We bright such a large lot so I sould have a woodworking shop to fulfill my Retirement Dream. I are a retired Machinist. Woodworking has been my halby it have arguind enough took - power and otherwise to make most men droot - especially me. There is currently a "shed" with a wood burning Stove in our bock yold which I have crammed with Took Blue, my wife it excelled a 10 x 16 foot redar that hit - also with wall to wall took & equipment. Then there is the arrage

which, much to my wifes chagrin, w half taken up with tools. We have I sett of big power lines behind our house. The ones of the very rear of the property are high i on the larger metal stands. The ones closer to the house are lower i on wood poles. after the lig wind storm early this year), a Bonnewille Hatural Resources Specialist by the name of Mark Towliel carre to our home with his crew, at our request, to trun or remove Trees. I told Wark about my dream & plane To build a shop. They ended up cutting. down 6 trees. Mark was very nied, appreciated our cooperation i felt there would be no problem in getting persussion from the Bower to to build an adequate sigled shop in our big egred. The though measurements e pectures é noted that ale of the power foles (stands) we a yards (books away on both sides - now on our property. He was even belogue to us in completing the necessary forms. form diety was the person we dealf with in the Bonneville Real Grafferty Field Services office. She, also, were very fleasant the somewhat sheftered. After

swerall months, numerous show rather

involving encouragement & discouragement during which, among other Things, your & my wife discussed shop size, she finally unhappily informed us that Bouneville would only give us a "lissited consent" for the efisting shop, but would NOT release ANY by "THEIR easerment" which Turne out to be our ENTIRE back yard efest for 122 feet. She was apologetie but said that Conservelle said there had been too many encroachments on Their Rights-of- way & they were not going to make any exceptions. This etheriely disappointing & disheartening new was followed by a letter that stated we could make no regain, ingrovements, etc., etc. To the efisting shop. They can make us That if down at any time at out expense) and, if ever sell the property, this "Limited Consest" will not pass to the new owners. My Diety was informed that the troof leaks é needed unimediate repair. To protect my valuable tools. I have no place to more them. Eurrestly, I have The entire roof covered with plastic. This is just NOT right that we pay property tapes for the entire yard o maintain it in god condition , get are JENHED THE TIGHT TO bullet a reasonable

Structure on OCR own fragerty.

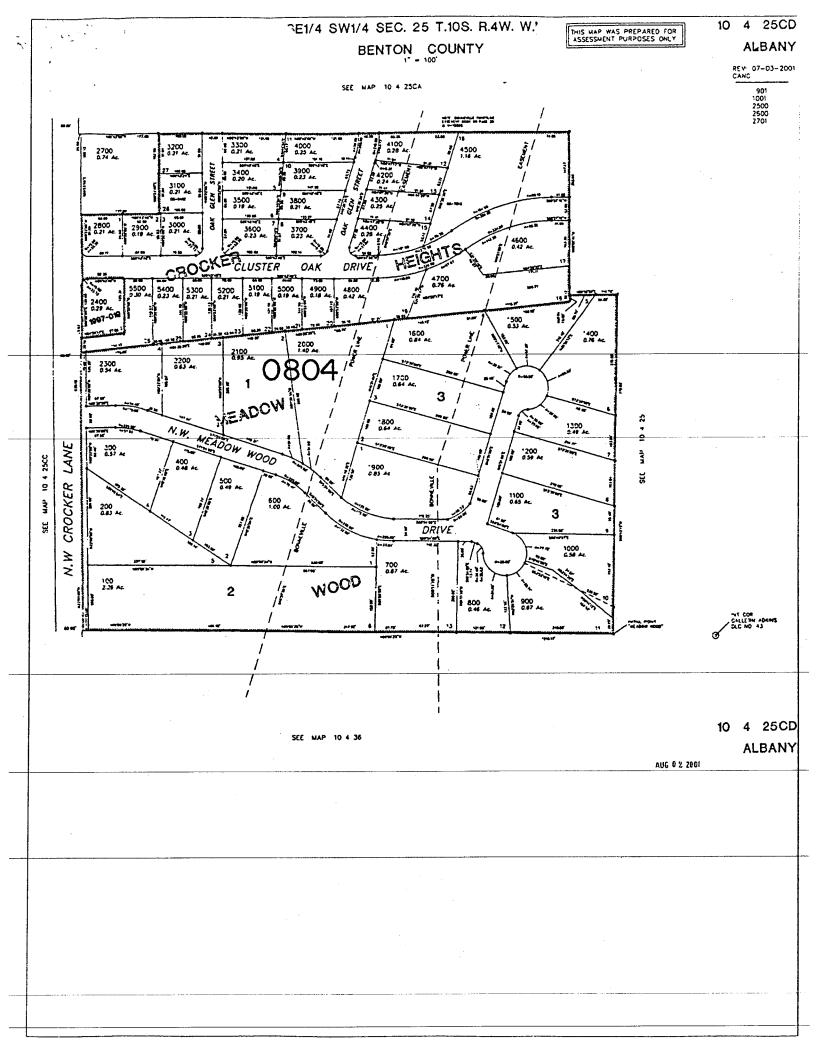
Flease, Senator Smith, Please help

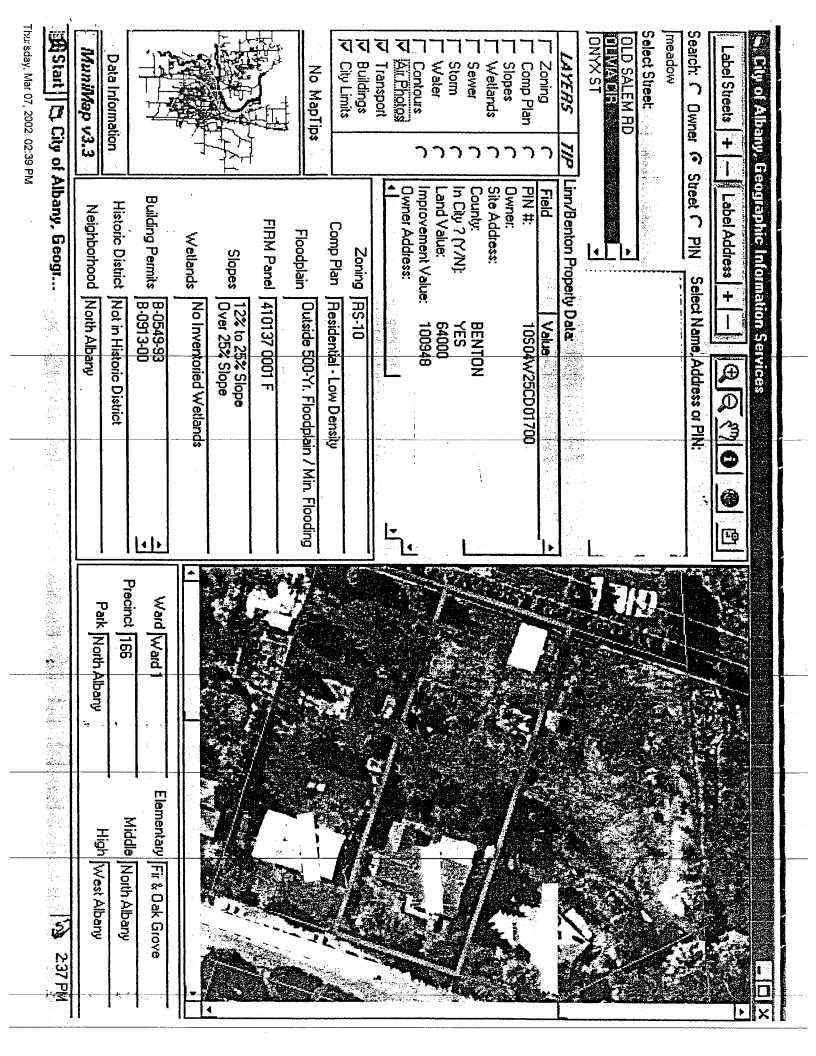
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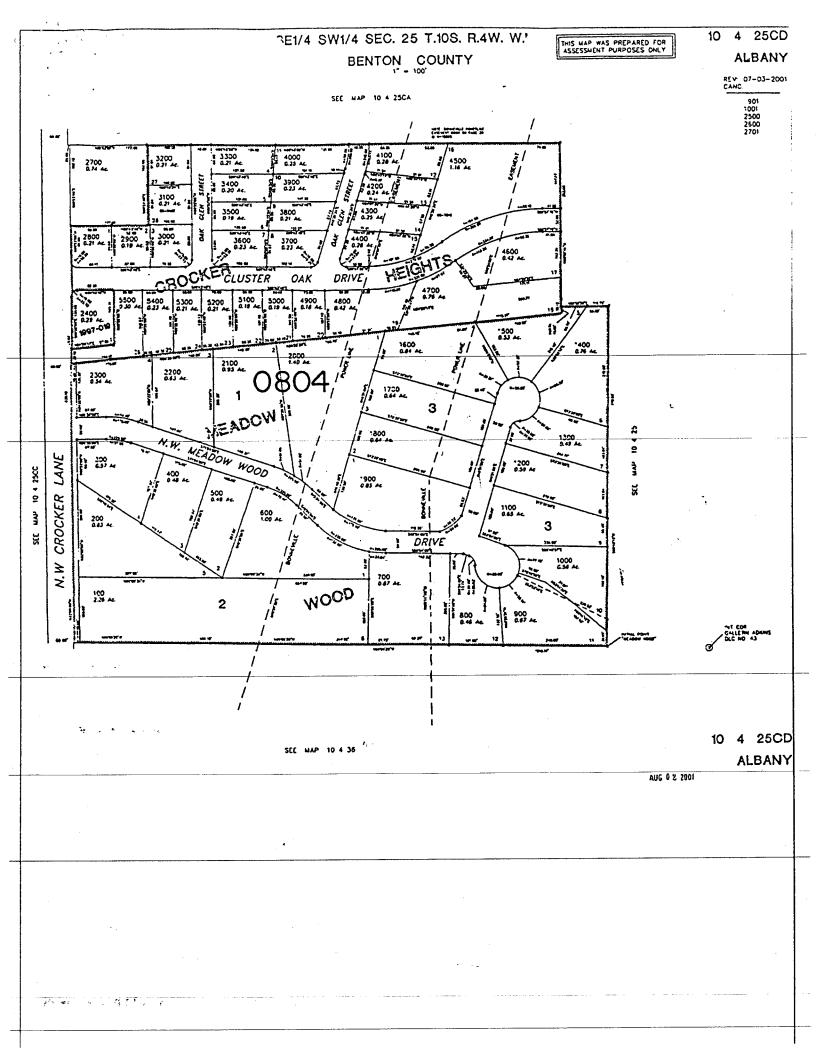
Turn.

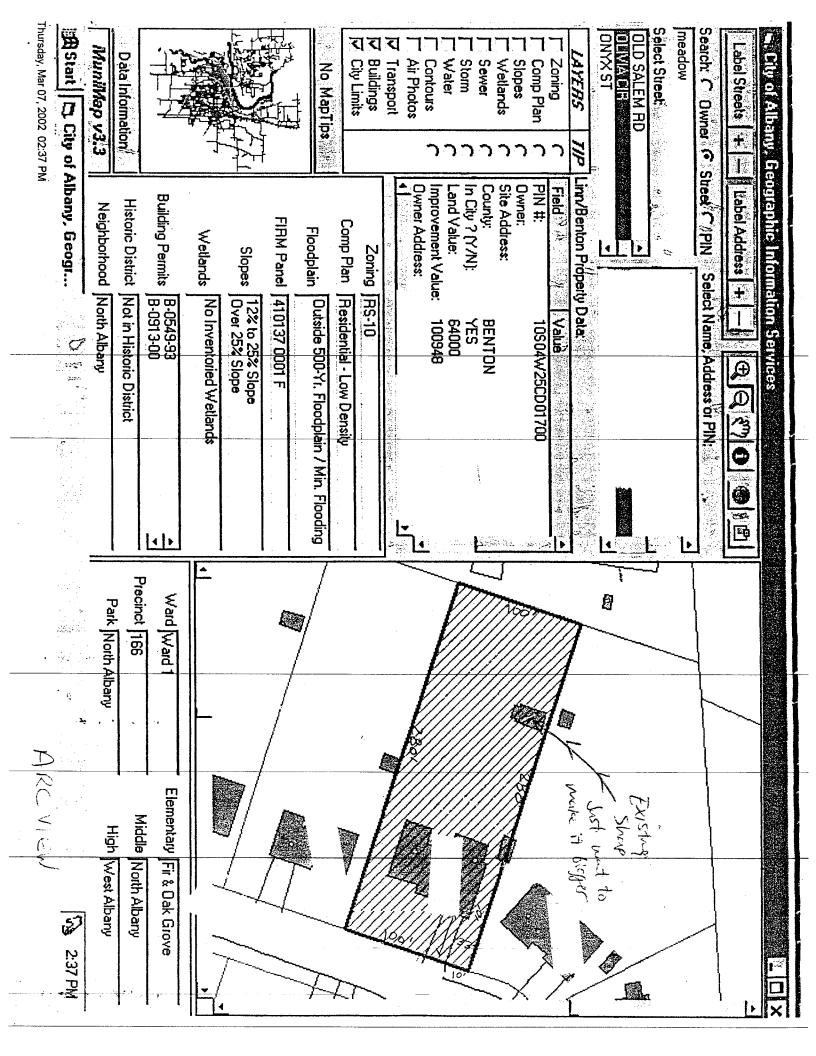
Sincerely,

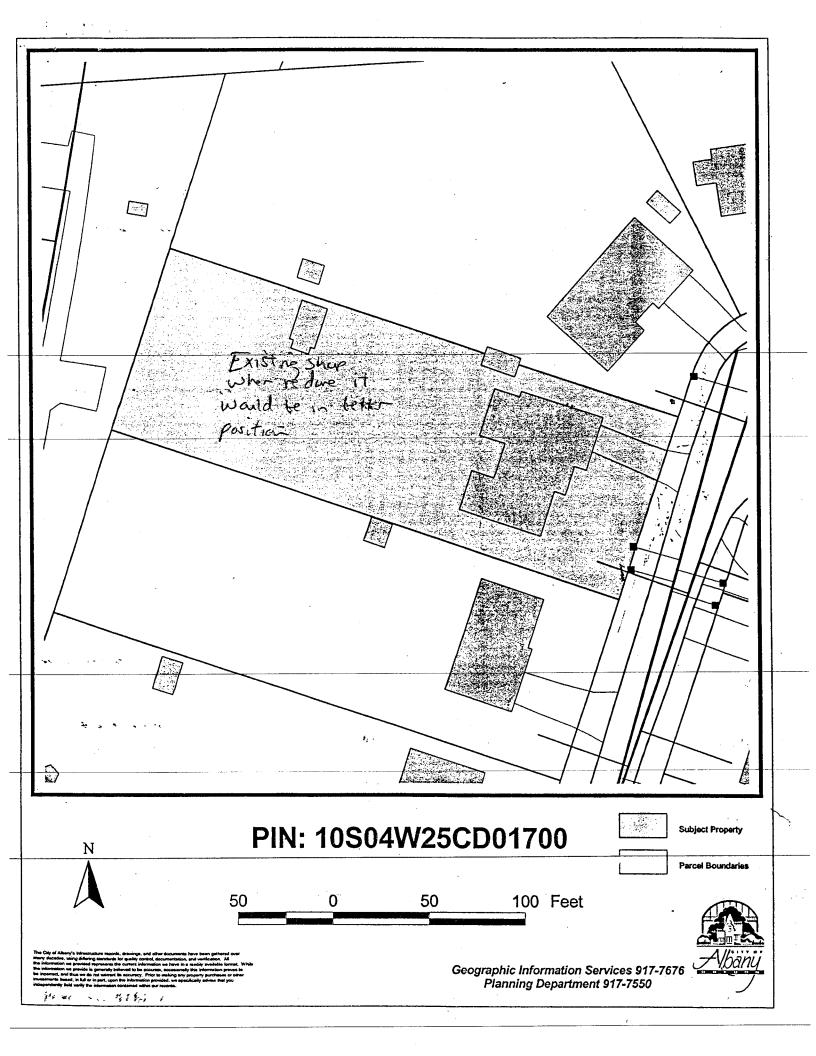
- Constituent













# NOTICE OF LIMITED CONSENT

Case No. 20020307 Tract No. SAN-A-26-A-110.2

THIS INSTRUMENT made this // day of October, 2002, by and between THE UNITED STATES OF AMERICA, BONNEVILLE POWER ADMINISTRATION (BPA), and hereafter called Owner(s).

### WITNESSETH:

THAT WHEREAS, the Owner(s) or its Predecessors in Title did grant unto BPA or its predecessors, an easement over the property of the Owner(s) located in the SE¼ SW¼, of Section 25, Township 10 North, Range 4 West, Willamette Meridian, County of Benton, State of Oregon and

WHEREAS, the aforesaid easements were recorded in the Benton County Clerk's Office, Tract No. 290 as acquired by Judgment on the Declaration of Taking dated July 14, 1939, Civil 173, Final Judgment dated June 1941, and recorded September 1941 in Book 99, Page 17, and easement dated 10/13/69, in Book M, page 15828, deed of records of said county, and

WHEREAS, the Owner(s) have a workshop which BPA has determined encroaches upon and violates the terms of the aforesaid easement.

HOWEVER, BPA will not seek the removal of said workshop at this time for the following reasons:

The shed has been at its current location since well before 1969, and does not currently interfere with BPA's ability to operate and maintain the transmission lines.

THEREFORE, this instrument serves as limited consent for use of the easement area by the Owner(s), as shown on the attached BPA Drawing entitled "Exhibit A". The encroachment shall not be altered, enlarged, or rebuilt for any reason. BPA, its successors and assigns, may, at its option, at any time, require the Owner(s) to remove the encroachment from within the easement area at the Owner(s) expense.

As an agency of the UNITED STATES OF AMERICA, BPA is not liable for damage to property, or injury to, or death of, persons (except as such liability is allowed by Federal statute). The Owner(s) should take adequate precautions, by insurance or otherwise, for protection from

March St. Attack

loss, damage, injury, and liability to others therefore, which may result from use of the easement area.

As the provisions set forth in this letter are applicable to the current ownership of this property, they are not transferable or assignable. The Owner shall make any future prospective buyer of this property aware of this agreement and its provisions and the necessity of acquiring similar provisions from BPA. BPA makes no warranty that it will give this limited consent permission to a new owner.

IN WITNESS WHEREOF, BPA has executed this instrument the date above first written.

Bonneville Power Administration

Jøan Dietz

Realty Specialist

Real Property Field Services

## Department of Energy



Bonneville Power Administration P.O. Box 61409 Vancouver, WA 98666-1409

007 1 7 zone

In reply refer to: TRF-TPP-4

Case No. 20020307

Tract No. SAN-A-26-A-110.2 Lines: Santiam-Toledo No. 1

Vancouver-Eugene (Operated as Salem-Albany No. 1)

### CERTIFIED-RETURN RECEIPT REQUESTED

### Dear

It is my unhappy responsibility to inform you that the Bonneville Power Administration (BPA) has carefully considered your special request and has determined that it cannot release any of the right-of-way easement area between the two BPA high-voltage lines crossing property you own. Network planning states that they cannot release the easement, and while "there are no plans for expansion in the near future, in the longer-term view, conversion of the existing 115-kV line to a 230-kV steel construction is a distinct possibility". The maximum allowable new structure that BPA will consider on BPA easement right-of-way, is a structure 10' x 10' x 10', or 1,000 cubic feet, or less. Therefore, your request to build a 28' x 36' x 15.6' structure must be denied.

As I attempted to explain when we received your original request. The property encumbering the westerly portion of your property is a continuous 265-foot BPA right-of-way upon which structures greater than 1,000 cubic feet are not permitted. The wood pole 115-kV line is off center on that particular right-of-way with 75 feet to the east, and only 25 feet to the west of the line. If we upgraded the 115-kV wood pole line in the future, it would likely require a need to increase the less-than-standard clearance to the west of that line another 25 feet, to equal 50-foot from the centerline. Then if we were to assume only a 62.5-foot width from the center of both sides of the existing 230-kV line, or 125 foot right-of-way as opposed to 162.5 foot right-of-way, that would leave only 12.5 feet of what might be defined as excess width between the rights-of-way—not great enough for your proposed wood shop. As this is somewhat awkward to visualize, I sent you a copy of our BPA Drawing No. 148426 in an effort to make this more clear. I have enclosed another copy of that drawing with this letter.

You then talked further with Mark Newbill and together prepared a special request for BPA to consider releasing a greater portion of the right-of-way. The case was made that BPA may be

14 40 S. 11 1/16 1

able to determine whether or not they would ever need more than the current 25-foot clearance west of the wood pole line, which would leave approximately 38 feet, or more accurately 37.5 feet of right-of-way between the two lines. At that time, the request was for a shop approximately 20 feet wide, horizontal to the right-of-way, and an undefined length parallel to the lines. The request stated that this would leave approximately 9 ft. on either side of a building to be built in the center of such defined extra-width right-of-way, or 20' + 9' + 9' to equal approximately 38 feet or, more accurately 37.5 feet.

We forwarded your request to Engineering and Network Planning for their determination. Unfortunately, a response to this request was delayed, primarily because of an urgent need for them to address the reinforcement of the BPA transmission grid infrastructure serving the entire Western United States and British Columbia. We regret this delay, however, they have now carefully considered your request and it is their determination that we cannot release any portion of the right-of-way because of BPA's potential future requirements and responsibilities.

However, since the existing shed has been at its current location since well before 1969, and does not currently interfere with BPA's ability to access our right-of-way or transmission line, we have enclosed a Notice of Limited Consent for that structure to remain for now. Please read the document carefully to make sure you understand the conditions of that agreement.

I know you are disappointed. I appreciate your understanding.

Respectfully,

Joan Dietz, Realty Specialist

Real Property Field Services

# THE OF A

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

February 21, 2003

In reply refer to: DR-7C

The Honorable Darlene Hooley U.S. House of Representatives 21570 Willamette Drive West Linn, OR 97068

Dear Representative Hooley:

We have received your letter of January 28, 2003, asking for information concerning the situation of Bonneville Power Administration (BPA) employee,

has been placed on administrative leave pending preparation of a proposal to remove him from Federal service under Adverse Action procedures in accordance with Title 5, Chapter 75 U.S.C. union representative has been advised that a removal proposal is pending. The specific reasons for the removal will be outlined in detail in the proposal document. We anticipate that this document will be signed and mailed to within a week.

Should you have other questions about this issue, please have your staff contact CJ McVein, Human Resources Specialist, of my staff, at 503-230-5780.

Sincerely,

Stephen J. Wright Administrator and

Styck / Nyht

Chief Executive Officer

### DARLENE HOOLEY

5th DISTRICT, OREGON

COMMITTEES:

COMMITTEE ON THE BUDGET
COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE AND GOVERNMENT SPONSORED ENTERPRISES

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT

SUBCOMMITTEE ON DOMESTIC MONETARY POLICY, TECHNOLOGY, AND ECONOMIC GROWTH



# Congress of the United States House of Representatives Washington, D.C. 20515-3705

CONGRESSIONAL OFFICES:

1130 LONGWORTH BUILDING WASHINGTON, D.C. 20515 (202) 225-5711 (202) 225-5699 fax

315 MISSION ST., SUITE 101 SALEM, OREGON 97302 (503) 588-9100 (503) 588-5517 fax

914 MOLALLA AVE., SUITE 103 OREGON CITY, OREGON 97045 (503) 557-1324 (503) 557-1981 fax

WWW.HOUSE.GOV/HOOLEY
TOLL FREE: 1 888 4-HOOLEY

January 28, 2003

03.00/8 1.31.03 2.14.03

Stephen Wright, Administrator Bonneville Power Administration 905 NE 11<sup>th</sup> Avenue Portland, OR 97232

ASSIGN: DR-7C / cc: A-7, D-7, K-7

Dear Mr. Wright:

I received a request for assistance from a constituent, regarding his employment status with the Bonneville Power Administration. Specifically, is requesting information pertaining to the circumstances of his administrative leave.

I would appreciate if you would look into request and respond, consistent with standard procedures. Please direct any correspondence in this matter to Ms. Suzanne Kunse in my West Linn district office at 21570 Willamette Drive, West Linn, OR 97068. Thank you in advance for your attention to this matter.

DARLENE HOOLEY
Member of Congress

CC:

# THE COLD IN CO

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

March 10, 2003

In reply refer to: DR-7C

The Honorable George R. Nethercutt, Jr. U.S. House of Representatives 9209 East Mission Avenue, Suite B Spokane, WA 99206

Dear Representative Nethercutt:

This is in response to the letter from your staff member Steve Taylor of February 13, 2003, asking for my review of a situation involving a recently retired Bonneville Power Administration (BPA) employee, was overpaid BPA wages in the 2002 tax year. She has asked that BPA provide her and the Internal Revenue Service (IRS) with an amended W-2 form, reflecting the revised wages. She expressed concern that she will be financially harmed because she is in a lower tax bracket now than she was when she received the overage.

I have discussed this matter with Mr. Mike Caldwell, head of our payroll department.

Enclosed is a letter I recently sent to confirming my findings. As that letter and Mr. Caldwell's prior correspondence with explains, BPA would clearly be in violation of the IRS tax code in providing a revised W-2 form.

In her letter to Mr. Caldwell of January 24, 2003, makes reference to a conversation with an IRS representative. She infers that the IRS believes that BPA should issue the revised W-2 form. Since this is in conflict with our understanding of the IRS tax code, I would welcome any information that can provide from the IRS regarding a different interpretation. We would be happy to pursue the matter further with her if it appears that we are legally permitted to do so.

I am sorry for any stress as experienced as a result of this error. If I can answer any other questions, please contact either myself or Mr. Caldwell, at 503-230-3334.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

Enclosure



### Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

February 21, 2003

In reply refer to: KFR-2

You wrote me a letter on February 4, 2003, regarding your final paycheck from the Bonneville Power Administration (BPA). I'm sorry that we over calculated your final paycheck and it has caused you this distress. It is my understanding that the erroneous calculation was caused by human error as well as by flaws within the payroll system. Nevertheless, I know that we can take steps to prevent this in the future.

To prevent this in the future, the Payroll Department will establish a standard set of policies to calculate the various types of pay for those employees retiring. While the Payroll Department already had standard policies, the policies were not updated for the new payroll system. It's regrettable that you have had to go through distress, but commendable that you desire to prevent this from happening to future retirees.

As Mr. Caldwell pointed out in his letter, we have no choice when it comes to IRS regulations. All employers are subject to these rules, and the rules do allow the taxpayer to become whole. In this case, you will be allowed to take a deduction or credit in 2003 to offset the extra taxes you paid in 2002. This is the most equitable resolution available to you and BPA under the IRS regulations.

Again, I am sorry that you have entered your retirement under these stressful conditions.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

There's for offerhouse the Man (XID)

cc:

The Honorable George W. Nethercutt, Jr., U. S. House of Representatives, Washington Representative, W. 920 Riverside, Suite 594, Spokane, WA 99201

The Honorable Maria Cantwell, U.S. Senate, Washington Senator, W. 920 Riverside, Suite 697, Spokane, WA 99201

The Honorable Patty Murray, U.S. Senate, Washington Senator, 601 W. Main Ave., Suite 1213, Spokane, WA 99201

GEORGE R. NETHERCUTT, JR.

5TH DISTRICT, WASHINGTON

**COMMITTEE ON APPROPRIATIONS** 

SUBCOMMITTEES:
AGRICULTURE
INTERIOR
DEFENSE

Congress of the United States

House of Representatives

Washington, DC 20515-4705

COMMITTEE ON SCIENCE

SUBCOMMITTEES:

ENERGY

SPACE AND AERONAUTICS

Mr. Steve Wright, Administrator Bonneville Power Administration 905 NE Eleventh Avenue Portland, OR 97232-4169

February 13, 2003

03.0032 DATE:

(\$69) 684\_3481
www.house.gov/nethercutt (web)

223 CANNON HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

(202) 225-2006

920 WEST RIVERSIDE, SUITE 594

SPOKANE, WA 99201

(509) 353-2374

9209 EAST MISSION AVENUE, SUITE B SPOKANE, WA 99206

(509) 924-7775

29 SOUTH PALOUSE

WALLA WALLA, WA 99362

(509) 525-0358

555 SOUTH MAIN STREET, SUITE C

COLVILLE, WA 99114

www.house.gov/nethercutt/contact (e-mail)

Dear Mr. Wright:

Enclosed please find a copy of correspondence that our district office received from Representative Nethercutt has asked me to forward it to your office for resolution.

is a recently retired employee from Bonneville Power Administration and has experienced problems with the BPA payroll office in resolving an issue of overpaid wages for the 2002 tax year. has been instructed to repay the overage, however, she has not been able to receive an amended W-2C form reflecting the overpayment. As a result, she will not be able to recoup the additional taxes she was required to pay after entering a higher tax bracket for the 2002 tax year.

I would appreciate you reviewing this matter and responding to our Spokane district office at your earliest convenience. If you need additional information, please contact me at (509) 353-2374.

Thank you for your assistance in this matter.

Sincerely,

Steve Taylor

Field Representative

see #2003-0024 also attached

encl.

ASSIGN: DR-7C

cc: A-7, D-7, K-7, DC/Wash, KF-2, KFR-2,

KFRD-2 [Caldwell]

5093532412



February 4, 2003

George W. Nethercutt, Jr. Washington Representative W. 920 Riverside Suite 594 Spokane, WA 99201

Dear Mr. Nethercutt:

I am having a problem with the Bonneville Power Administration (BPA), that I was a federal employee of until my retirement on November 30, 2002. I don't know if there is anything that you or your office can do to help me, but anything would be appreciated.

When you read through the enclosed correspondence, you will see that it has to do with BPA's final pay clearance to me and their errors in computing my comp time pay. BPA has left this problem, they created, for me to bear the burden of additional monies out of my bank account. Due to BPA's overpayment to me in the 2002 tax year and my having to repay it in the 2003 tax year, I will never recoup the monies BPA has cost me for their error. I don't understand why I should have to bear this financial loss due to no fault of mine.

If there is anything that you can do to help me I would be eternally grateful.

Sincerely,

Enclosures

January 24, 2003

Bonneville Power Administration Mr. Michael R. Caldwell – KFRD-2 P. O. Box 3621 Portland, OR 97208-3621

## CERTIFIED WITH RETURN RECEIPT

Re: Invoice MSC-02506 & W2C request

Dear Mr. Caldwell:

This letter to confirm our previous telephone conversations and your statement to me on January 23rd that the Bonneville Power Administration (BPA) could not, or would not, amend my 2002 W2 form. As you know, I retired from BPA on the 30<sup>th</sup> of November 2002. BPA issued my final pay clearance payment by direct deposit to my bank on December 26, 2002.

On January 22, 2003 I called Charles McVay, one of your employee's, on another payment issue made to me by BPA for the pay period 200302. This was for the underpayment by BPA of a portion of my lump sum annual leave (\$187.68) that should have been paid to me on December 26, 2002. However, I didn't receive any of this additional money owed me as BPA withheld \$2.72 for FED MED/EE and applied \$184.96 as partial repayment for BPA's comp time overpayment to me on December 26, 2002.

At this time Charles told me that I owed BPA an additional \$3,434.75 because of an error made by BPA on their payment to me for this comp time. When BPA made my final payment to me, your payroll department over paid me for comp. time due me. Rather than pay me at the capped time and one-half rate, I was instead paid for time and one-half at my regular salary, which was considerably more money. Of this dollar amount I only received a portion of it in the form of a direct deposit as BPA withheld Federal Income Tax and FED MED/EE before payment to me.

However, when I asked for an amended W2-C from BPA for the year of 2002, Charles didn't know if BPA could do this and I was passed onto you, who I understand to be his manager. On January 23<sup>rd</sup> I received the above referenced invoice from BPA dated January 17, 2003, a copy of said is attached to this letter. I had no notice of overpayment, by BPA to me, until now and therefore couldn't have paid BPA back in 2002 for BPA's overpayment to me.

Thave explained to you that I want and need a W2-C for the taxable year of 2002 in order to make me whole on taxes and other withholdings. This is due to the fact that in the tax year of 2002 I will reach the 30% tax bracket and with being retired in the tax year of 2003 my tax bracket will only be in the 10% to 15% range. With the dollar amount I have been ordered to pay back and the difference in the tax brackets I will be taking a substantial financial hit on tax and other withholdings due to no fault of mine, but due to the inaccurate computations made by BPA. I do not feel that I should have to bear this financial burden due to the payment error to me that was made by BPA.

I spoke with the IRS on January 23, 2003 and they have advised me to send this letter to you. Also, that I should request, in writing, that BPA issue me an amended W2-C for the 2002 tax year by January 31, 2003. In this amended W2-C, BPA should also refigure what I owe in repayment after BPA has adjusted and recouped all the deductions that BPA withheld from this overpayment of \$3,619.74 (\$3,434.75 + \$184.96) and send me a new invoice showing what I actually owe (i.e. What dollar amount was actually paid to me by direct deposit to my bank and not for the full overpayment). The IRS also informed me that if I didn't receive the requested W2-C by the above date that I was to call them and their (IRS) people would take over and be in contact with you. For your information the IRS does know that I am a retired Federal employee and that the payment error and the W2-C problem is with BPA, a Federal Agency.

I will be expecting to receive an amended W2-C by the close of business on January 31, 2003 and a corrected invoice. You may send it to me at the following address: 2619 S. Bolivar Road, Veradale, WA 99037. When I have received assurance from you that a corrected W2C for 2002 will be issued and you tell me what I owe BPA, I will send a check for repayment immediately.

Sincerely,

Mr. John Rowley - KFRO
Bonneville Power Administration
P. O. Box 3621
Portland, Or. 97208-3621

# SAIES OF AN

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**FINANCE** 

January 31, 2003

In reply refer to: KFRD-2

Dear

In response to your request for an amended W-2, BPA cannot reissue your 2002 W-2 because that would be in violation of the IRS regulations. I am enclosing paragraph 13 (Reporting Adjustments on Form 941) of the IRS publication 15 (Circular E). These instructions to employers state:

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. Do not correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

Note: The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the repaid wages on his or her income tax return for the year of payment.

I believe that these instructions clearly prohibit us from issuing you an amended W-2 for 2002. We will have to file a W-2c with Social Security and provide a copy to you once you repay the overpayment. I am also enclosing a tax tip for deductions or credit taken as a result of overpayments. You can provide this tax tip to your accountant.

I regret the inconvenience this has caused you.

Sincerely;

Michael R. Caldwell

**Disbursement Operations Manager** 

Enclosure

2.20.03

February 4, 2003

Bonneville Power Administration Mr. Steven J. Wright, Administrator A-7 P. O. Box 3621 Portland, OR 97208-3621

Dear Mr. Wright:

I am writing this letter to you in order to inform you of the problems in Bonneville Power Administration's (BPA) payroll department. I retired on November 30, 2002 and received my final pay clearance from BPA on December 26, 2002. Due to errors made by BPA's payroll department I was overpaid on comp time and this is now making my life difficult and very stressful. When I became aware of the overpayment, Charles McVay, in payroll, told me that they knew that BPA's payroll system had flaws and especially in computing for payment of comp time. This is since April of 2002 when the new payroll computer system was put in operation. Also, that this problem has happened to other BPA employees in the past but was still not fixed by BPA. Since there was a known problem with computing comp time pay, why wasn't my final pay clearance checked for accuracy?

I am enclosing a copy of my letter to Michael Caldwell and his response to me for your information. As to his response on BPA's behalf, it appears that I have no recourse but to pay back the full amount that was paid to me in error. This I have no chose but to accept. But what I find difficult to deal with is the fact that due to BPA's error (carelessness) I am being forced to take a financial hit with my monies for federal income taxes paid in 2002 and again in 2003. I will never be able to recoup the full amount (\$3,619.74) on my 2003 income tax filings. It has been figured that BPA's error will be costing me somewhere around \$700 additional dollars out of my own monies. This is after paying back the \$3,619.74, which was the gross overpayment to me. I wouldn't have to assume this monetary loss if BPA had computed my final pay clearance correctly. There is no way that I will ever be made whole with this decision by BPA.

I am fully aware of the financial problems that BPA, and you as its administrator, are undergoing and hope that you will understand that as a newly retired BPA employee that I am also facing sever financial adjustments and constraints. I don't know if there is anything that you can do for me, on this injustice that was caused by BPA, but hopefully with this problem being brought to your attention you can see that it gets resolved soon. I wouldn't want anyone else to have to go through what I have been through and will be for the next year.

Sincerely,

Enclosures

George W. Nethercutt, Jr. Washington Representative W. 920 Riverside Suite 594 Spokane, WA 99201

Maria Cantwell Washington Senator W. 920 Riverside Suite 697 Spokane, WA 99201 Patty Murray Washington Senator 601 W. Main Ave. Suite 1213 Spokane, WA 99201 February 4, 2003

Bonneville Power Administration Mr. Steven J. Wright, Administrator A-7 P. O. Box 3621 Portland, OR 97208-3621

Dear Mr. Wright:

I am writing this letter to you in order to inform you of the problems in Bonneville Power Administration's (BPA) payroll department. I retired on November 30, 2002 and received my final pay clearance from BPA on December 26, 2002. Due to errors made by BPA's payroll department I was overpaid on comp time and this is now making my life difficult and very stressful. When I became aware of the overpayment, Charles McVay, in payroll, told me that they knew that BPA's payroll system had flaws and especially in computing for payment of comp time. This is since April of 2002 when the new payroll computer system was put in operation. Also, that this problem has happened to other BPA employees in the past but was still not fixed by BPA. Since there was a known problem with computing comp time pay, why wasn't my final pay clearance checked for accuracy?

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Sincerely,

#### Enclosures

Cc: George W. Nethercutt, Jr. Washington Representative W. 920 Riverside Suite 594 Spokane, WA 99201

Maria Cantwell Washington Senator W. 920 Riverside Suite 697 Spokane, WA 99201 Patty Murray Washington Senator 601 W. Main Ave. Suite 1213 Spokane, WA 99201

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### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

EXECUTIVE OFFICE

March 10, 2003

In reply refer to: DR-7C

The Honorable Maria Cantwell U.S. Senate Foley Federal Courthouse West 920 Riverside, Suite 697 Spokane, WA 99201

Dear Senator Cantwell:

Thank you for your letter of February 13, 2003, asking for my review of a situation involving
a recently retired Bonneville Power Administration (BPA)
employee, was overpaid BPA wages in the 2002 tax year. She has asked that BPA provide her
and the Internal Revenue Service (IRS) with an amended W-2 form, reflecting the revised wages.
She expressed concern that she will be financially harmed because she is in a lower tax bracket now
than she was when she received the overage.

I have discussed this matter with Mr. Mike Caldwell, head of our payroll department. Enclosed is a letter I recently sent to correspondence with explains, BPA would clearly be in violation of the IRS tax code in providing a revised W-2 form.

In her letter to Mr. Caldwell of January 24, 2003, Ms. Rapozo makes reference to a conversation with an IRS representative. She infers that the IRS believes that BPA should issue the revised W-2 form. Since this is in conflict with our understanding of the IRS tax code, I would welcome any information that \_\_\_\_\_ can provide from the IRS regarding a different interpretation. We would be happy to pursue the matter further with her if it appears that we are legally permitted to do so.

I am sorry for any stress has experienced as a result of this error. If I can answer any other questions, please contact either myself or Mr. Caldwell, at 503-230-3334.

Sincerely,

Stephen J. Wright Administrator and

Chief Executive Officer

Enclosure



## Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

February 21, 2003

In reply refer to: KFR-2

Dear

You wrote me a letter on February 4, 2003, regarding your final paycheck from the Bonneville Power Administration (BPA). I'm sorry that we over calculated your final paycheck and it has caused you this distress. It is my understanding that the erroneous calculation was caused by human error as well as by flaws within the payroll system. Nevertheless, I know that we can take steps to prevent this in the future.

To prevent this in the future, the Payroll Department will establish a standard set of policies to calculate the various types of pay for those employees retiring. While the Payroll Department already had standard policies, the policies were not updated for the new payroll system. It's regrettable that you have had to go through distress, but commendable that you desire to prevent this from happening to future retirees.

As Mr. Caldwell pointed out in his letter, we have no choice when it comes to IRS regulations. All employers are subject to these rules, and the rules do allow the taxpayer to become whole. In this case, you will be allowed to take a deduction or credit in 2003 to offset the extra taxes you paid in 2002. This is the most equitable resolution available to you and BPA under the IRS regulations.

Again, I am sorry that you have entered your retirement under these stressful conditions.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

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cc:

The Honorable George W. Nethercutt, Jr., U. S. House of Representatives, Washington Representative, W. 920 Riverside, Suite 594, Spokane, WA 99201

The Honorable Maria Cantwell, U.S. Senate, Washington Senator, W. 920 Riverside, Suite 697, Spokane, WA 99201

The Honorable Patty Murray, U.S. Senate, Washington Senator, 601 W. Main Ave., Suite 1213, Spokane, WA 99201

## United States Senate

WASHINGTON, DC 20510-4705

February 13, 2003

Mr. Steve Wright Administrator U.S. Department of Energy Bonneville Power Administration PO Box 3621 Portland, Oregon 97208

RE:

COMMITTEES:

COMMERCE, SCIENCE, AND

ASSIGN: DR-7C

cc: A-7, D-7, K-7, DC/Wash, KF-2, KFR-2,

KFRD-2 [Caldwell]

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Marsha Moore in my Spokane District Office at Foley Federal Courthouse, West 920 Riverside, Suite 697 Spokane, Washington, 99201. Marsha Moore can be reached via: phone: 509-353-2507, fax: 509-353-2547, or email: marsha\_moore@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

United States Senator

MC:mm Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353–2507
FAX: (509) 353–2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404 ☐ MARSHALL HOUSE
1313 OFFICERS' ROW
FIRST FLOOR
VANCOUVER, WA 98661
(360) 696–7838
FAX: (360) 696–7844

☐ 825 JADWIN AVENUE G-58-A RICHLAND, WA 99352 (509) 946-8106 FAX: (509) 946-9377 ☐ 717 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510–4705 (202) 224–3441 FAX: (202) 228–0514

February 4, 2003

Ms. Maria Cantwell
Washington Senator
W. 920 Riverside Suite 697
Spokane, WA 99201

Dear Ms. Cantwell:

I am having a problem with the Bonneville Power Administration (BPA), that I was a federal employee of until my retirement on November 30, 2002. I don't know if there is anything that you or your office can do to help me, but anything would be appreciated.

When you read through the enclosed correspondence, you will see that it has to do with BPA's final pay clearance to me and their errors in computing my comp time pay. BPA has left this problem, they created, for me to bear the burden of additional monies out of my bank account. Due to BPA's overpayment to me in the 2002 tax year and my having to repay it in the 2003 tax year, I will never recoup the monies BPA has cost me for their error. I don't understand why I should have to bear this financial loss due to no fault of mine.

If there is anything that you can do to help me I would be eternally grateful.

Sincerely,

**Enclosures** 

January 24, 2003

Bonneville Power Administration Mr. Michael R. Caldwell – KFRD-2 P. O. Box 3621 Portland, OR 97208-3621

### CERTIFIED WITH RETURN RECEIPT

Re: Invoice MSC-02506 & W2C request

#### Dear Mr. Caldwell:

This letter to confirm our previous telephone conversations and your statement to me on January 23rd that the Bonneville Power Administration (BPA) could not, or would not, amend my 2002 W2 form. As you know, I retired from BPA on the 30<sup>th</sup> of November 2002. BPA issued my final pay clearance payment by direct deposit to my bank on December 26, 2002.

On January 22, 2003 I called Charles McVay, one of your employee's, on another payment issue made to me by BPA for the pay period 200302. This was for the underpayment by BPA of a portion of my lump sum annual leave (\$187.68) that should have been paid to me on December 26, 2002. However, I didn't receive any of this additional money owed me as BPA withheld \$2.72 for FED MED/EE and applied \$184.96 as partial repayment for BPA's comp time overpayment to me on December 26, 2002.

At this time Charles told me that I owed BPA an additional \$3,434.75 because of an error made by BPA on their payment to me for this comp time. When BPA made my final payment to me, your payroll department over paid me for comp. time due me. Rather than pay me at the capped time and one-half rate, I was instead paid for time and one-half at my regular salary, which was considerably more money. Of this dollar amount I only received a portion of it in the form of a direct deposit as BPA withheld Federal Income Tax and FED MED/EE before payment to me.

However, when I asked for an amended W2-C from BPA for the year of 2002, Charles didn't know if BPA could do this and I was passed onto you, who I understand to be his manager. On January 23<sup>rd</sup> I received the above referenced invoice from BPA dated January 17, 2003, a copy of said is attached to this letter. I had no notice of overpayment, by BPA to me, until now and therefore couldn't have paid BPA back in 2002 for BPA's overpayment to me.

I have explained to you that I want and need a W2-C for the taxable year of 2002 in order to make me whole on taxes and other withholdings. This is due to the fact that in the tax year of 2002 I will reach the 30% tax bracket and with being retired in the tax year of 2003 my tax bracket will only be in the 10% to 15% range. With the dollar amount I have been ordered to pay back and the difference in the tax brackets I will be taking a substantial financial hit on tax and other withholdings due to no fault of mine, but due to the inaccurate computations made by BPA. I do not feel that I should have to bear this financial burden due to the payment error to me that was made by BPA.

## SATES OF AME

## Department of Energy \_

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**FINANCE** 

January 31, 2003

In reply refer to: KFRD-2

Dear

In response to your request for an amended W-2, BPA cannot reissue your 2002 W-2 because that would be in violation of the IRS regulations. I am enclosing paragraph 13 (Reporting Adjustments on Form 941) of the IRS publication 15 (Circular E). These instructions to employers state:

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. Do not correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

Note: The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the repaid wages on his or her income tax return for the year of payment.

I believe that these instructions clearly prohibit us from issuing you an amended W-2 for 2002. We will have to file a W-2c with Social Security and provide a copy to you once you repay the overpayment. I am also enclosing a tax tip for deductions or credit taken as a result of overpayments. You can provide this tax tip to your accountant.

I regret the inconvenience this has caused you.

Sincerely;

Michael R. Caldwell

Disbursement Operations Manager

Enclosure

February 4, 2003

Bonneville Power Administration Mr. Steven J. Wright, Administrator A-7 P. O. Box 3621 Portland, OR 97208-3621

Dear Mr. Wright:

I am writing this letter to you in order to inform you of the problems in Bonneville Power Administration's (BPA) payroll department. I retired on November 30, 2002 and received my final pay clearance from BPA on December 26, 2002. Due to errors made by BPA's payroll department I was overpaid on comp time and this is now making my life difficult and very stressful. When I became aware of the overpayment, Charles McVay, in payroll, told me that they knew that BPA's payroll system had flaws and especially in computing for payment of comp time. This is since April of 2002 when the new payroll computer system was put in operation. Also, that this problem has happened to other BPA employees in the past but was still not fixed by BPA. Since there was a known problem with computing comp time pay, why wasn't my final pay clearance checked for accuracy?

I am enclosing a copy of my letter to Michael Caldwell and his response to me for your information. As to his response on BPA's behalf, it appears that I have no recourse but to pay back the full amount that was paid to me in error. This I have no chose but to accept. But what I find difficult to deal with is the fact that due to BPA's error (carelessness) I am being forced to take a financial hit with my monies for federal income taxes paid in 2002 and again in 2003. I will never be able to recoup the full amount (\$3,619.74) on my 2003 income tax filings. It has been figured that BPA's error will be costing me somewhere around \$700 additional dollars out of my own monies. This is after paying back the \$3,619.74, which was the gross overpayment to me. I wouldn't have to assume this monetary loss if BPA had computed my final pay clearance correctly. There is no way that I will ever be made whole with this decision by BPA.

I am fully aware of the financial problems that BPA, and you as its administrator, are undergoing and hope that you will understand that as a newly retired BPA employee that I am also facing sever financial adjustments and constraints. I don't know if there is anything that you can do for me, on this injustice that was caused by BPA, but hopefully with this problem being brought to your attention you can see that it gets resolved soon. I wouldn't want anyone else to have to go through what I have been through and will be for the next year.

Sincerely,

### **Enclosures**

Cc:

George W. Nethercutt, Jr. Washington Representative W. 920 Riverside Suite 594 Spokane, WA 99201

Maria Cantwell Washington Senator W. 920 Riverside Suite 697 Spokane, WA 99201

Patty Murray Washington Senator 601 W. Main Ave. Suite 1213 Spokane, WA 99201

# STATES OF EACH

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

MAR 2 1 2003

In reply refer to: DR-7C

The Honorable Doc Hastings U.S. House of Representatives 2715 St. Andrews Loop Pasco, WA 99301

## Dear Representative Hastings:

This is in response to your letter regarding the concerns of your constituents,

and Bonneville Power Administration's (BPA) negotiations for an easement across their property to build a transmission line. The are concerned about BPA's plans to string fiber optic communication lines on part of this project. They ask whether BPA has the legal right to condemn their property for fiber optics communications equipment.

The transmission line that would cross the property is part of the Shultz Wautoma Transmission Project. Shultz Wautoma will be a 500-kV line running from BPA's Shultz substation near Ellensburg to a new Wautoma substation near the Department of Energy's Hanford Reservation. It would add 6,000 megawatts (MW) of transfer capacity to the heart of BPA's grid in central Washington, relieving a north-south bottleneck in the transmission system and allowing additional power to flow through this area in the spring and summer months.

We are building this project to meet transmission reliability needs. Fiber optic communications equipment is important for system control and reliability and it is a necessary component of BPA's transmission system.

BPA is not planning at this time to install fiber optic cable on the part of the Shultz Wautoma project that crosses the property. At the same time, since communications technology is an integral part of transmission line operations, the easement we are trying to buy from the would give us the right to install fiber or some other type of communications equipment in the future. These are effectively the same rights BPA has historically acquired throughout its service territory.

BPA needs to ensure that it continues to acquire these same rights throughout its transmission system. We are in the process of converting from the microwave-based communications system we have historically used to control and manage our transmission lines to a fiber-based system. BPA has a statutory mandate to provide for a reliable transmission system, and stable and continuous communications are an integral part of that system.

BPA's fiber optics construction is a planned and cost-effective approach to building for current and long-term operational needs. BPA has very limited capital funding, and it must use that limited capital in the most effective manner for long-term reliability of the transmission system. It is not economically feasible to build a fiber network based just on today's needs, returning to rebuild to higher capacity every few years. In fact, that approach is contrary to our mission to provide high-voltage transmission at the lowest cost. BPA believes that the prudent, most cost-effective business approach is to acquire all of the rights it needs to operate and maintain the transmission line long term, and we are prepared to condemn for these rights.

As we have described in our report to Congress ("Power Marketing Administrations' Fiber-Optics Executive Summary Report to Congress," May 24, 2000), some fibers which are temporarily excess to our needs are leased to third parties. Not only does this help to defray our costs, but it also allows for industry use of a temporarily available federal resource. And, it provides the ability for BPA to expand its fiber use over time in a planned and cost-effective manner.

Congress supports our approach for building our fiber optic system. In its report on Fiscal Year 2001 Energy and Water Appropriations Bill, H.R. 4733, the Senate Appropriations Committee said, "[T]he Committee is aware of and supports BPA's efforts to replace outdated microwave communications systems with fiber optics. Given the potential benefits, BPA is urged to continue efforts related to open-access policy."

I hope this information is helpful to you in addressing the concerns of your constituents. If you have further questions, please feel free to contact me or have your staff contact Bob Lahmann, Transmission Business Line account executive, at (360) 418-2092.

Sincerely,

Stephen J. Wright

Administrator and

Chief Executive Officer

## DOC HASTINGS 4TH DISTRICT, WASHINGTON

ASSISTANT MAJORITY WHIP

**COMMITTEE ON RULES** 

COMMITTEE ON THE BUDGET



1323 LONGWORTH HOUSE OFFICE BUILDING WASHINGTON, DC 20515 (202) 225–5816

> 2715 St. Andrews Loop Pasco, WA 99301 (509) 543–9396

302 E. CHESTNUT YAKIMA, WA 9890 (509) 452–3243

## Congress of the United States

House of Representatives

February 26, 2003

Mr. Steve Wright Administrator Bonneville Power Administration P.O. Box 3621 Portland, OR 97208-3621 3.12.03 3.12.03

Dear Steve:

My constituents, concerning BPA acquiring their land.

of Ellensburg, have contacted me

The have agreed to the price BPA offered for their land, provided BPA agrees to a 24-fiber cable size. BPA refused and has given the 14 days (starting Feb. 19<sup>th</sup>) to sign their contract or they will begin the condemnation process.

The want to know if BPA has authority to condemn property for fiber optics in excess of what they need to run their system.

I kindly request a response from BPA that responds to the concerns and answers their question. I have enclosed a copy of their letter to me that contains pertinent details.

The response to this inquiry should be directed to my district director, Joyce Olson, at my office in Pasco. Since time is of the essence, I would appreciate a prompt reply.

Sincerely,

Doc Hastings

Member of Congress

DH:jo

Enclosure

**ASSIGN: DR-7C** 

cc: A-7, D-7, K-7, DC/Wash, DR-7, L-7, DR/Spokane [Swedo], T/Ditt2, TM/Ditt2

P.01

February 25, 2003

Doc Hastings Office 509-452-3438 FAX

Re: BPA Power Line

I need to know if BPA can condemn property for excess fiber optics. I refer to the report dated October 2001, WR-B-02-01.

In this report (Details of Finding, Page 3-4) it states: "... Since becoming a telecommunications service provider should not be an objective of the PMA's, we conclude that 24-fiber cable was sufficient to meet the PMAs requirements... However, this does not give the PMAs authority to acquire assets, such as fiber optics, for purposes other than their operational needs... Purthermore, in 1996 Congress specifically addressed the issue of Bonneville competing with private industry.... Congress directed that Bonneville refrain from any activities that would be in competition with private industry.... Thus, it was clear that leasing played a significant part in Bonneville's decision to acquire larger capacity cable with more fibers than necessary. By installing excess fiber and leasing it to outside parties. Bonneville is in direct competition with private companies that lease fiber. This type of competition is not permitted by Federal regulation". Underlines mine.

Bonneville admits they lease out the dark fibers and are threatening us with condemnation.

and I have agreed to the price offered for our land (61.5 acres will be taken) if BPA will agree to a 24-fiber cable size. BPA has refused, and their answer to me was, "BPA believes that it is operating within its authority. If there is a question regarding the language in our documents, only a court could interpret it definitively".

This sounds kind of like a threat to me. If we have to go to condemnation the offer from BPA drops significantly and the cost of legal representation will be high. I don't think a private citizen should have to hire a lawyer to find the answer to a simple question.

The question is: Does BPA have the legal authority to condemn property for fiber optics in excess of what they need to run their system?

Bonneville has given us 14 days, starting February 19th, to sign their contract or they are going to start the condemnation process.

| Sincerely | Y |
|-----------|---|
|-----------|---|

## **Department of Energy**



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

MAR 3 1 2003

In reply refer to: DR-7C

The Honorable Patty Murray U.S. Senate Washington, D.C. 20510-4704

Dear Senator Murray:

This is in response to your letter dated March 12, 2003, regarding your constituent, in a letter dated March 10, 2003, expressed concerns about Bonneville Power Administration's (BPA's) proposed Grand Coulee-Bell 500-kV Transmission Line Project (Eastern Washington Reinforcement) and the project's impact to agricultural land that he leases.

As background, the Record of Decision (ROD) for this project was signed on January 10, 2003. This is the first of several critical reliability projects under the agency's infrastructure program to upgrade aging and overloaded lines in the region. This new line allows BPA to continue to deliver power to where it is needed; relieve current congestion on the transmission line corridor; maintain electrical system reliability; provide for future infrastructure needs; maintain system flexibility and minimize costs to customers.

BPA's Project Manager, Mark Korsness, has spoken several times with — including March 6, 2003 and March 17, 2003, giving serious consideration to his requests to re-locate towers, to accommodate his farming practices. BPA's negotiator, Michelle Doiron, has also spoken with — on the phone on February 24, 2003, and met with him on-site on March 7, 2003, to review his concerns.

The Environmental Impact Statement (EIS) prepared by BPA acknowledges the impact to agricultural lands regarding tower placement. The mitigation BPA identified to address these concerns was to use Best Management Practices to limit erosion and the spread of noxious weeds; plan and schedule construction activities, when practical, to minimize temporary disturbance, displacement of crops, and interference with farming activities; restore compacted soil in cropland; compensate farmers for crop damage; and place new towers parallel to existing towers, where practical, to enhance maneuverability of farm equipment. BPA realizes that the mitigation will minimize the impacts to agricultural lands in general, but that there will still be some locations where maneuvering farm equipment around the new and existing towers will still be a problem.

In the area where farms, mile 57 of the project, BPA will be removing approximately 9 H-frame wood pole structures (18 poles in all). BPA will then install

approximately 5 steel lattice structures that will be placed immediately adjacent to existing steel structures on parallel lines. All work will be done within BPA's transmission line right-of-way, which was acquired in 1941. may want to discuss the impact that his project has on his agricultural lease with the landowner who has also received project information.

Be assured, request for BPA to re-locate the tower locations was given serious consideration. However, BPA will not be re-locating the towers, because it does not allow BPA to take advantage of the most reliable and cost effective design, and work within the budget for this project.

We trust this information is helpful and addresses the concerns raised by

need more information or have additional questions, please contact me or have your staff contact
Mark Korsness, Project Manager, at 360-619-6326.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

United States Senate

APPROPRIATIONS
BUDGET
HEALTH, EDUCATION, LABOR
AND PENSIONS
VETERANS' AFFAIRS

COMMITTEES:

WASHINGTON, DC 20510-4704

ALCANISTRATOR'S OF G-LOG #: 03.0008 DECEIFT DATE: 3.17.03 OUE DATE: 3.31.03

cc: A-7, D-7, K-7, DC/Wash, L-7, DR/Spokane,

March 12, 2003

ASSIGN: DR-70

John Cowger-TR-TPP-4

Steven J. Wright

Administrator

Bonneville Power Administration

905 NE 11th Ave.

PO Box 3621

Portland, Oregon 97208-3621

Dear Steven:

Please find enclosed a copy of correspondence sent to my Spokane office by is concerned because the BPA is planning on putting high-powered transmission lines through his land which would cause the loss of about four acres of farming land.

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Judy in my Spokane office at 509-624-9515.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\sw



March 10, 2003

Sen. Patty Murray 173 Russell Senate Office Building Washington, DC 20510

Dear Senator Murray:

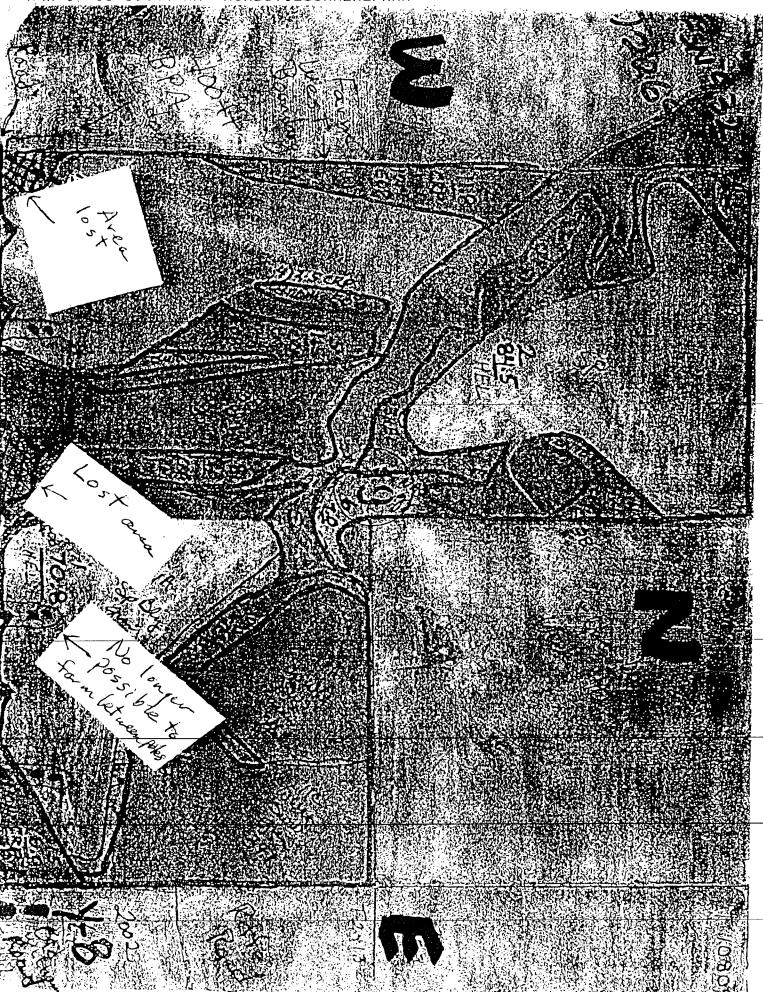
On March 1, 2003 a letter arrived from Mr. Mark Korsness, project manager for the Grand Coulee 500-kV transmission line project. This letter contained the record of decision and the mitigation measures for this line project. The socioeconomics portion of the mitigation measures indicates that towers will be sited to maintain efficient crop patterns and minimize adverse impacts to farming activities. Shortly after reading this measure I attempted to contact a person who would be able to answer questions about placement of towers for this project on land that I farm. Two days later I was contacted by Mr. Korsness, project manager, at which time he explained where the towers would be placed on the land in question. He also indicated that it would be very difficult to change the placement of these towers at this time because all planning and implementation was almost complete.

To the best of my knowledge no one from the BPA has ever made contact with the landowner, agent, or myself the grower concerning placement of these new towers and their impact on our farming activities. Therefore, when it was realized that placement of the towers along with roads, boundary lines, and streams which run through the easement would cause the loss of the ability to farm about four acres, the agent and I determined we should bring this issue to your attention. Because we had no opportunity to work with BPA and prevent this loss of ability to farm these acres we believe it is important to address this problem. The landowner will continue to pay taxes even though income will be permanently lost because of the towers positioning. Furthermore, the tower placement will cause the necessity to control weeds on those un-farmable areas as well as losses in income resulting from the reduction in acres of base for the Federal Farm Program.

We hope you'll be able to help us resolve this issue. A map is enclosed which will help. demonstrate how this land will be lost to farming.

Sincerely,

Enclosure: Map cc: Judy Olsen



## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

May 2, 2003

In reply refer to: DR-7C

The Honorable Conrad Burns U.S. Senate 208 N. Montana Avenue, Suite 202A Helena, MT 59601

#### Dear Senator Burns:

This is in response to your letter of March 31, 2003, regarding the concerns of your constituents, and their proposed project with the Flathead Land Trust (FLT) to sell their property to the American Farmland Trust. The sale is contingent on a conservation easement purchase by the Bonneville Power Administration (BPA).

I am sorry for the frustration your constituents are experiencing. The process for BPA to acquire land in order to preserve critical habitat for fish and wildlife can be lengthy. Projects that BPA selects for funding undergo a rigorous scientific review and public process. It is testimony to the merits of the FLT proposal that it made it through the process.

The point to a "two year delay" on BPA's part. We reconstructed the history of this proposal to see what exactly happened. The Northwest Power and Conservation Council (Council) and BPA issued a joint request for proposals in the Mountain Columbia Province in November 2000, and FLT submitted its proposal. In December 2000, the Council undertook its scientific review of the proposals after the time for submitting them had closed. On October 19, 2001, the Council included the FLT project as part of a comprehensive package of fish and wildlife mitigation and recovery measures in the Mountain Columbia Province that it recommended to BPA for funding. On March 19, 2002, BPA's manager of fish and wildlife, Sarah McNary, wrote to the Council listing the projects that BPA intended to fund in that Province. The FLT project was among them. In April of 2002, BPA fish and wildlife staff began initial negotiations for land easements and purchases on the FLT project.

As you know, BPA is facing unprecedented financial challenges. We have proposed another rate increase and have initiated a rate case. We have cut more than \$350 million from our FY03-06 budgets, and worked hard to bring our internal costs that must be recovered in power rates back to 2001 levels. We did not propose a rollback in funding for the Council's Fish and Wildlife Program, but we are seeking to hold the line at \$139 million in expense in FY2003.

In December of 2002, due to our extremely difficult financial situation, BPA asked the Council to begin the very difficult process of reprioritizing all of the projects in the Council's Fish and

Wildlife Program. In a December 10, 2002 letter, BPA asked the Council to help us limit FY 2003 expense spending for fish and wildlife to \$139 million. At the same time, we put about \$20 million in wildlife land acquisitions that were part of the Council's Program – including the FLT project – on hold in anticipation of decisions on reprioritization.

In February of 2003, the Council made its recommendations to BPA. Among other things, the Council recommended that BPA change its policy with regard to expensing habitat acquisitions and begin to capitalize its land acquisitions for fish and wildlife habitat. The Council recommended that all land acquisition projects scheduled for implementation in FY 2003 be placed on hold pending discussions on BPA's capitalization policy for FY 2004. BPA is working with the Council's wildlife subcommittee to address capitalization to help resolve this issue. Until it is resolved, BPA and the Council are continuing to defer land acquisitions for wildlife mitigation, including the FLT project.

Capitalizing land acquisitions represents a significant change from our current policy and financial practices. Changes this significant must be handled thoughtfully and deliberately. And, while it is good news that BPA recently received an additional \$700 million in borrowing authority, this does not resolve all of BPA's issues with limited access to capital. It is our intention that fish and wildlife capital costs will be managed as part of our overall capital program.

BPA continues to be fully committed to meeting our fish and wildlife obligations. Now more than ever, we are seeking to work cooperatively with the Council, elected officials, and the many regional stakeholders – including the FLT and the — to achieve successful implementation of our fish and wildlife responsibilities at the least cost. Our goal is to seek resolution with the Council on this and other land purchases for the protection of fish and wildlife habitat by FY 2004.

If I can answer any questions, please contact me or have your staff contact Sarah McNary, Director of BPA Fish and Wildlife, at 503-230-5135.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

## United States Senate

WASHINGTON, DC 20510-2603 (202) 224-2644

COMMITTEES:

**APPROPRIATIONS** 

COMMERCE, SCIENCE, AND TRANSPORTATION

**ENERGY AND NATURAL** RESOURCES

SMALL BUSINESS

SPECIAL COMMITTEE ON AGING

March 31, 2003

Mr. Stephen J. Wright, Administrator Bonneville Power Administration P.O. Box 3621 Portland, OR 97208

RE: Bonneville Power Wildlife Mitigation Fund

03.0089 42.03 4.16.03

ASSIGN: DR-70

cc: A-7, D-7, K-7, DC/Wash, DR-7, L-7, P-6, KE/KEW-4, T/Ditt2, DR/MSGL

Dear Mr. Wright:

of Kalispell, Montana, have contacted me for assistance with the Bonneville Power Administration. They have an agreement to sell their property to the American Farmland Trust. This transaction is contingent upon a grant from the Bonneville Power Wildlife Mitigation Fund. For nearly two years, there has been little or no activity on the would like to complete this real estate deal in the near future. part of BPA. The

Please conduct a review of my constituent's situation to determine what the delay with BPA may be, and what options are available to them. You may direct your response to my office at:

> **Senator Conrad Burns** Attention: Betsy Allen 208 N. Montana Avenue, Suite 202A Helena, MT 59601 (406) 449-5401 - FAX (406) 449-5462 betsy allen@burns.senate.gov

Thank you for your assistance in this matter. Your services are always appreciated.

Conrad Burns United States Senator

CRB/bta **Enclosures** 



MEDIANCED 103 MAR 19 PM 2: 27 1GREAT FALLS OFFICE

## SENATOR CONRAD BURNS

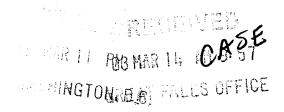
WASHINGTON, D.C.

Due to the provisions of the Privacy Act 1974 (Title 5, Section 552A of the U.S. Code) before I can make an inquiry on your behalf, I must have your permission.

To avoid delays, please state in writing that I have your permission to make this inquiry and to receive any information needed to complete your request.

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| FILE OR CASE# (If applicable)         |                |  |               |  |             |

Senator Conrad Burns 187 Dirksen Senate Office Building Washington D.C. 20510



Dear Senator,

My wife and I have been trying to sell our farm to American Farmland Trust. A.F.T. needs help with the financing and are looking at a grant from Bonneville Power Wildlife Mitigation Fund.

Talk has been going on for nearly two years with no real activity as B.P.A. does not seem to be able to quite get their act together. Senator, we would appreciate any assistance you might give to the sale of McWinneger Slough and our farm land around the slough in Flathead County, Montana.

My wife and I do not want to see houses, townhouses, condos, etc. on our property that has been farmed by family for three generations, yet real estate people are sounding better after two years of futile negotiating and no real action by B.P.A. Thus far all we have heard was verbal promises and that has held up A.F.T.

The primary reason for the sale of the farm is my wife's health is deteriorating and we still have a possibility of quality time with each other, our children, grandchildren, and some travel, if this sale can be consummated.

Any help on your part Senator, would be greatly appreciated.

Sincerely,

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

MAY 0 6 2003

In reply refer to: DR-7C

The Honorable Patty Murray U.S. Senate 601 W. Main Avenue, Suite 1213 Spokane, WA 99201-0613

Dear Senator Murray:

I have just received your letter of February 5, 2003, asking for my review of a situation involving I apologize for the delayed response.

a recently retired Bonneville Power Administration (BPA) employee, was overpaid BPA wages in the 2002 tax year. She has asked that BPA provide her and the Internal Revenue Service (IRS) with an amended W-2 form, reflecting the revised wages. She expressed concern that she will be financially harmed because she is in a lower tax bracket now than she was when she received the overage.

I have discussed this matter with Mr. Mike Caldwell, head of our payroll department. Enclosed is a letter I sent to confirming my findings. As that letter and Mr. Caldwell's prior correspondence with explains, BPA would clearly be in violation of the IRS tax code in providing a revised W-2 form. We have not had any further correspondence with on this matter.

In her letter to Mr. Caldwell of January 24, 2003, makes reference to a conversation with an IRS representative. She infers that the IRS believes that BPA should issue the revised W-2 form. Since this is in conflict with our understanding of the IRS tax code, I would welcome any information that can provide from the IRS regarding a different interpretation. We would be happy to pursue the matter further with her if it appears that we are legally permitted to do so.

I am sorry for any stress has experienced as a result of this error. If I can answer any other questions, please contact either myself or Mr. Caldwell, at 503-230-3334.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

Enclosure

# SATES OF AME

## Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**FINANCE** 

January 31, 2003

In reply refer to: KFRD-2

Dear

In response to your request for an amended W-2, BPA cannot reissue your 2002 W-2 because that would be in violation of the IRS regulations. I am enclosing paragraph 13 (Reporting Adjustments on Form 941) of the IRS publication 15 (Circular E). These instructions to employers state:

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. Do not correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

Note: The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the repaid wages on his or her income tax return for the year of payment.

I believe that these instructions clearly prohibit us from issuing you an amended W-2 for 2002. We will have to file a W-2c with Social Security and provide a copy to you once you repay the overpayment. I am also enclosing a tax tip for deductions or credit taken as a result of overpayments. You can provide this tax tip to your accountant.

I regret the inconvenience this has caused you.

Sincerely;

Michael R. Caldwell

Disbursement Operations Manager

Enclosure

**PATTY MURRAY** WASHINGTON

United States Senate

APPROPRIATIONS

I, EDUCATION, LABOR AND PENSIONS

VETERANS' AFFAIRS

COMMITTEES:

WASHINGTON, DC 20510-4704

February 5, 2003

Steven J. Wright Administrator

Bonneville Power Administration

905 NE 11th Ave. PO Box 3621 Portland, Oregon 97208-3621

ASSIGN: DR-7C

cc: A-7, D-7, K-7, DC/Wash, KF-2, KFR-2,

KFRD-2 [Caldwell]

Dear Steven:

Please find enclosed a copy of correspondence sent to my Spokane office by is concerned because she would like the BPA to issue her a W2-C for the taxable year of 2002 in order to make whole on taxes and other withholdings.

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Shannon in my Spokane office at 509-624-9515.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\sw

February 4, 2003

Ms. Patty Murray
Washington Senator
601 W. Main Ave. Suite 1213
Spokane, WA 99201

Dear Ms. Murray:

I am having a problem with the Bonneville Power Administration (BPA), that I was a federal employee of until my retirement on November 30, 2002. I don't know if there is anything that you or your office can do to help me, but anything would be appreciated.

When you read through the enclosed correspondence, you will see that it has to do with BPA's final pay clearance to me and their errors in computing my comp time pay. BPA has left this problem, they created, for me to bear the burden of additional monies out of my bank account. Due to BPA's overpayment to me in the 2002 tax year and my having to repay it in the 2003 tax year, I will never recoup the monies BPA has cost me for their error. I don't understand why I should have to bear this financial loss due to no fault of mine.

If there is anything that you can do to help me I would be eternally grateful.

Sincerely,

**Enclosures** 

January 24, 2003

Bonneville Power Administration Mr. Michael R. Caldwell – KFRD-2 P. O. Box 3621 Portland, OR 97208-3621

### CERTIFIED WITH RETURN RECEIPT

Re: Invoice MSC-02506 & W2C request

Dear Mr. Caldwell:

This letter to confirm our previous telephone conversations and your statement to me on January 23rd that the Bonneville Power Administration (BPA) could not, or would not, amend my 2002 W2 form. As you know, I retired from BPA on the 30<sup>th</sup> of November 2002. BPA issued my final pay clearance payment by direct deposit to my bank on December 26, 2002.

On January 22, 2003 I called Charles McVay, one of your employee's, on another payment issue made to me by BPA for the pay period 200302. This was for the underpayment by BPA of a portion of my lump sum annual leave (\$187.68) that should have been paid to me on December 26, 2002. However, I didn't receive any of this additional money owed me as BPA withheld \$2.72 for FED MED/EE and applied \$184.96 as partial repayment for BPA's comp time overpayment to me on December 26, 2002.

At this time Charles told me that I owed BPA an additional \$3,434.75 because of an error made by BPA on their payment to me for this comp time. When BPA made my final payment to me, your payroll department over paid me for comp. time due me. Rather than pay me at the capped time and one-half rate, I was instead paid for time and one-half at my regular salary, which was considerably more money. Of this dollar amount I only received a portion of it in the form of a direct deposit as BPA withheld Federal Income Tax and FED MED/EE before payment to me.

However, when I asked for an amended W2-C from BPA for the year of 2002, Charles didn't know if BPA could do this and I was passed onto you, who I understand to be his manager. On January 23<sup>rd</sup> I received the above referenced invoice from BPA dated January 17, 2003, a copy of said is attached to this letter. I had no notice of overpayment, by BPA to me, until now and therefore couldn't have paid BPA back in 2002 for BPA's overpayment to me.

I have explained to you that I want and need a W2-C for the taxable year of 2002 in order to make me whole on taxes and other withholdings. This is due to the fact that in the tax year of 2002 I will reach the 30% tax bracket and with being retired in the tax year of 2003 my tax bracket will only be in the 10% to 15% range. With the dollar amount I have been ordered to pay back and the difference in the tax brackets I will be taking a substantial financial hit on tax and other withholdings due to no fault of mine, but due to the inaccurate computations made by BPA. I do not feel that I should have to bear this financial burden due to the payment error to me that was made by BPA.

I spoke with the IRS on January 23, 2003 and they have advised me to send this letter to you. Also, that I should request, in writing, that BPA issue me an amended W2-C for the 2002 tax year by January 31, 2003. In this amended W2-C, BPA should also refigure what I owe in repayment after BPA has adjusted and recouped all the deductions that BPA withheld from this overpayment of \$3,619.74 (\$3,434.75 + \$184.96) and send me a new invoice showing what I actually owe (i.e. What dollar amount was actually paid to me by direct deposit to my bank and not for the full overpayment). The IRS also informed me that if I didn't receive the requested W2-C by the above date that I was to call them and their (IRS) people would take over and be in contact with you. For your information the IRS does know that I am a retired Federal employee and that the payment error and the W2-C problem is with BPA, a Federal Agency.

I will be expecting to receive an amended W2-C by the close of business on January 31, 2003 and a corrected invoice. You may send it to me at the following address:

99037. When I have received assurance from you that a corrected W2C for 2002 will be issued and you tell me what I owe BPA, I will send a check for repayment immediately.

Sincerely,

Cc:

Mr. John Rowley - KFRO Bonneville Power Administration P. O. Box 3621 Portland, Or. 97208-3621

#### Official File

## WEN OF THE OF

## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

MAY 1 9 2003

In reply refer to: DR-7C

Honorable Patty Murray U.S. Senate Washington, D.C. 20510

Dear Senator Murray:

This is in response to your letter of April 11, 2003, forwarding the concerns of your constituent, regarding Bonneville Power Administration's (BPA) proposed rate increase. asks that BPA find ways to cut costs and hold the line on rates.

Ex parte restrictions on communication during the Safety Net Cost Recovery Adjustment Clause (SN CRAC) 7(i) rate case prevent me from directly addressing rate design issues. However, I can say that when BPA published its Initial Proposal for the SN CRAC, we stated that the final rate increase does not have to be as high as the 15 percent proposed. BPA is actively seeking ways to preserve our financial health while still accomplishing the goal of little or even no rate increase. In my March 26, 2003, letter to customers (enclosed), I outlined a path to accomplish that goal.

So far, we have not identified any major cost cuts available through legislative changes. I appreciate efforts to help identify BPA overhead and operating costs that might be eased by legislative action, though, and I am open to working with your office on any initiatives that may be possible.

BPA had previously reduced our budgeted costs by \$350 million over the remainder of the rate period through cost cuts, deferrals, and other actions. We recently have cut another \$35 million from the budgets used to develop our initial rate proposal. This brings our internal costs down to within 1 percent of 2001 actual costs, with no allowance for offsetting revenues created by some of the costs. We will continue to work diligently to reduce our own costs for the remainder of the rate period. We have offered to public power general managers the opportunity to review our cost proposals and provide feedback regarding these opportunities for cost reductions. We view these workgroups as a first step in creating a more collaborative process that provides opportunities to understand the trade-offs associated with different actions.

The Northwest's economy has been built on low cost power. Electricity rates have a significant impact on our economy, and the economy throughout the Northwest is in a slump. BPA supplies about half of the electricity this region uses, and we supply it at cost. We are seeking to restore



## Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

March 26, 2003

In reply refer to: P-6

Dear Customers and Other Interested Parties:

The Bonneville Power Administration (BPA) held three public meetings over the past month where we discussed the causes of our current financial condition and alternative solutions. At the last meeting, BPA suggested a way forward that we believe has real promise to meet the needs expressed by customers and others who attended these meetings. It particularly addresses the importance of minimizing any rate increase in the face of our weakened regional economy. Unfortunately, the fact that we said "no" to the recommendation that we halt the Safety Net Cost Recovery Adjustment Clause (SN CRAC) process seems to have overshadowed the fact that we also suggested an alternative way forward. While our approach would be the subject of the SN CRAC process, I want to describe this alternative more fully so it can be better understood.

But first, I want to summarize some of the major messages we heard at these meetings. We heard that utilities, industries and individual ratepayers are reeling from rate increases and can't handle more. We were told that the economic situation is so bad that BPA should not count on getting more total revenue if it raises rates, because of the ultimate rate effects on retail loads. We heard that BPA should stop the current SN CRAC process and focus on reducing costs.

We heard that any SN CRAC should be year-by-year, not multi-year. We heard strong opposition to a rate increase in 2004 that is driven by BPA's concerns about possible financial results in 2005 and 2006. We were advised that the region cannot afford to have BPA seek to fully meet historical financial standards in these extraordinary times. We heard that a significant problem with the SN CRAC proposal is the belief that it takes the pressure off BPA to reduce costs, because BPA gets an automatic source of revenue to cover higher costs. We heard that BPA must focus heavily on further cost reductions, including its own internal costs as well as all the other costs reflected in power rates.

We also heard from environmental advocates and tribal representatives that expenditures for necessary fish and wildlife mitigation measures should not be cut but instead should be stabilized, and that BPA should comply with the Fish Funding Principles. We heard concerns that BPA should continue to pay Treasury so that we preserve the long-term benefits of the system for the Pacific Northwest.

The problems with a further rate increase have been made clear to us. It is also clear that capturing as much as reasonably possible of the \$754 million in cost reductions and revenue improvements described by customers would help to minimize the need for rate increases. We have been working for months to achieve these cuts and revenue improvements, and we promise to continue to work diligently – both internally and with all other parties – to pursue them. We are getting closer on some reductions, but they are not "in the bag" yet.

We clearly heard the request to halt the SN CRAC process now, in order to focus exclusively on achieving cost reductions. However, as we said at these meetings, we remain concerned that postponement of the SN CRAC process is financially perilous for BPA in FY2004 because of the current lack of certainty about several key opportunities for cost reductions, most of which are not in BPA's sole control. Consequently, if these cost reductions or revenue enhancements do not materialize, BPA and the region would be confronting a substantially higher rate increase proposal next year than the one we are proposing now. Even with a much higher rate increase, we could still face a significant risk of missing next year's Treasury payment. These concerns are detailed in Attachment #2.

For this and other reasons, we suggested at the last meeting that there is another way of assuring that cost reductions could result in a substantially reduced effective rate increase, or possibly no effective rate increase in 2004 if we have good luck on water conditions and market prices. We remain open to this and other proposals on the rate case, but I want to clarify the four-point approach we suggested at the March 14 meeting:

- 1. A variable and contingent rate mechanism could achieve the most important goal of the customer proposal: a significant reduction in any rate increase in October if major cost reductions can be achieved, and possibly no rate increase if cost reductions are coupled with the actual realization of good water conditions and favorable market prices.
- 2. We could use a TPP standard that is lower than we have historically used, as incorporated in the initial SN CRAC proposal. The determination of the final TPP standard will be part of the SN CRAC process.
- We could use a rate mechanism that would keep pressure on BPA costs by precluding BPA from recovering any excess controllable internal operating costs in the SN CRAC, if those costs exceed further reduced limits for 2003-2006.
- 4. Most importantly, we would redouble our efforts to capture prudent cost reductions, both in those internal costs that we control and in working with our generation partners, regional utilities, and others to bring down the costs we don't directly control. As a part of this, we will create an opportunity for customers and other stakeholders to review and comment on the trade-offs of borrowing, deferring expenses, and additional cost reductions in a manner than can impact final rate levels.

Here's how the approach could work if it were pursued.

First, in the formal SN CRAC process, parties could work on a rate design that would produce a rate that depends on actual financial results in 2003, as already included in the initial staff proposal. We could also look forward and adjust the 2004 rate to capture those additional cost reductions for 2004-2006 that are secured by this August. We believe that this variable and contingent rate design approach could allow for the lowest possible rate while still ensuring a sufficiently high probability of payment to Treasury. The variable approach to the SN CRAC also appears to respond to the strong customer objection to a rate increase in 2004 that is driven by forecasts of financial performance in 2005 and 2006.

The forward-looking contingent aspect of this approach could make the proposed 2004 rates lower if, for example, the investor-owned utilities agree to restructure the BPA financial benefits for their residential and small farm consumers. If water conditions and prices we receive for our secondary sales substantially improve between now and August 1, the variable aspect of the rate structure would incorporate that improvement through a lower SN CRAC increase.

Depending on what cost reductions are achieved, and other changes that occur in BPA's financial picture between now and August, this approach could lead to a substantially reduced effective rate increase in 2004. Cost reductions, coupled with good water conditions and favorable market prices, could result in no rate increase. See Attachment #1 for specific actions that may affect either variable or contingent rates.

Second, with respect to the customer concern that the extraordinary economic times call for a departure from historical financial standards, our initial proposal for the SN CRAC already takes more risk with respect to making our annual Treasury payment than we have taken historically. Our proposal brings TPP up to just 50 percent over the next three years – far lower than historical standards. This low TPP is justified by the multi-year and variable nature of the proposal, which allows us to demonstrate that we have an 80 percent chance of making all Treasury payments, including any "misses," by the end of 2006. We are calling this new measure the Treasury Recovery Probability (or TRP). The issue of whether this is the right standard to use and the level of risk we should take will be a part of the SN CRAC process.

Third, to address the customer concern about reducing pressure on BPA internal costs, we are open to a mechanism that could preclude BPA from recovering any excess controllable internal operating costs in the SN CRAC, if those costs exceed the further reduced limits for 2003-2006.

We would also be willing to institute monthly reporting on costs, at least quarterly meetings to discuss progress on cost reductions and BPA workshops each August that would bring regional focus and attention to BPA, the Corps of Engineers, Bureau of Reclamation, Energy Northwest, fish and wildlife mitigation programs, and other operating and program expenses before the level of any SN CRAC is finalized.

Finally, and most importantly, we will respond to the customer appeal that BPA focus heavily on further cost reductions and on potentially deferring costs in an effort to capture maximum cost reductions by August 1, inside and outside BPA. As a part of this, we will create forums for customers and other stakeholders to discuss costs and the use of ENW refinancing. These forums will explore the trade-offs and risks associated with further cost reductions, cost deferrals and borrowing. Due to the formula rate design described above, results from this process could be

incorporated in any final rate levels for FY2004 and for the remainder of the rate period. Attachment #1 includes the opportunities for actions to lower costs or increase revenues. We will conclude these forums with decisions that will be included in the October rates.

As we proceed with our efforts to minimize the proposed SN CRAC increase, we must not lose sight of potential near and long-term impacts. Further reductions in operations and maintenance costs of our generating partners can reduce rates in the near term, but at the expense of long-term reliability, safety and generation capability. Similarly, use of borrowing to hold down rates now increases rates in the long term while passing costs along to future ratepayers and potentially affecting BPA's future rate levels. We also want to minimize the risk of including overly optimistic cost or revenue assumptions. In seeking to find a way out of our current problems, we want to limit the risk of sowing the seeds for the next financial crisis.

With the joint efforts of BPA and the region to further reduce costs, we believe the alternative approach described above has the potential to substantially reduce the need for a 2004 rate increase. Our approach would keep pressure on BPA's costs and would not give BPA an "easy out" for cost increases. In addition to other proposals, BPA's rates staff are submitting testimony in the rate case that opens the door to formal consideration of such an approach in the rate case. We hope it will receive positive consideration by the parties during the rate proceeding. In the meantime, please join us as we continue to work toward maximum prudent cost reductions.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

2 Attachments

## Attachment #1 Potential Cost Reductions or Revenue Increases for FY2004-2006

In the SN CRAC process, staff are proposing a rate design that could vary based on actual financial results from the year before the rate goes into effect as well as reflect cost reductions we are reasonably certain of in future years. It's proposed that these variables would be pinned down by the time the actual SN level is set in August of the prior year. Below is an example list of impacts that, under a variable/contingent rate approach, could lead to a substantially reduced rate increase in 2004, or no rate increase if cost reductions are achieved and secondary revenues improve due to favorable hydro and market conditions.

| Potential Reductions in Cost or Increases in Revenue,<br>with BPA action plans for each<br>(dollars in millions)  | Impact on FY2004 Rate Calculation | Impact over the entire FY2004-<br>2006 period |
|---|-----------------------------------|---|
| <ol> <li>Improved hydro conditions and/or improved prices we receive for secondary sales in<br/>FY2003.</li> </ol>  | Ostulation                        | 2000 per lou                                  |
| This improvement is not in our current forecast, but is within the range of   | \$75M                             | \$75M   |
| possibility given good water conditions and favorable market prices.  | (675) ( 6. Tayon)                 | \$ 7.5 M for FY03)                            |
| <ol> <li>Improved hydro conditions and/or improved prices we receive for secondary sales for<br/>FY2004-2005.</li> </ol>  | Г                                 |   |
| <ul> <li>This improvement is not our current forecast, but is within the range of possibility<br/>given good water conditions and favorable market prices.</li> </ul> | \$0M                              | \$200M<br>(\$100M for FY04-05 Each)           |
| 3. Further reductions in BPA internal operating costs charged to power rates.   |                                   | (\$100M ROLF104-03 Each)                      |
| * The additional reductions shown here bring BPA internal costs to 2001 actuals net   |                                   |   |
| of revenue offsets. We will commit to managing to these reduced levels.   |                                   |   |
| <ul> <li>We will define the effects of additional 5% and 10% reductions in internal</li> </ul>  |                                   |   |
| operating costs to further inform regional discussions.   | \$10 M                            | \$20 M  |
| <ol> <li>Further reductions in Corps, Reclamation and/or ENW operations and maintenance<br/>costs.</li> </ol>   | <b>410 M</b>                      | \$20 IVI                                      |
| <ul> <li>We are asking ENW, Corps and Reclamation to define the effects of additional 5%</li> </ul>   |                                   |   |
| and 10% O&M cost reductions, to inform further regional discussion of costs.  | <b>'</b>                          |   |
| Benchmarking information indicates that Corps and Reclamation costs are already   |                                   |   |
| below industry norms. Benchmarking is less clear for CGS.   | \$?                               | <b>\$</b> ?                                   |
| 5. IOUs restructure benefits for their residential and small farm consumers such that   | 9:                                | <b>.</b>                                      |
| benefits are not paid during this rate period.  |                                   |   |
| <ul> <li>BPA is participating in active discussions with other parties in an attempt to achiev</li> </ul>   | اما                               |   |
| these reductions.   | \$110M                            | \$220M  |
| 6. Publics and IOUs settle litigation over IOU subscription contracts.  | ΨΙΙΟΝΙ                            | \$22UIVI                                      |
| Affects LB CRAC.  |                                   |   |
| <ul> <li>BPA is participating in active discussions with other parties in an attempt to achieve</li> </ul>  |                                   |   |
| these reductions.   | \$67M                             | ድኃለሰነ ለ                                       |
| 7. BPA successfully renegotiates certain augmentation contracts.  | \$07141                           | \$200M  |
| <ul> <li>Active negotiations are underway. Results should be clear by the end of April.</li> </ul>  | \$10M                             | 62014   |
| 8. Reductions in fish and wildlife direct costs and hydro operational costs through more  | \$10M                             | \$30M   |
| cost-effective achievement of biological goals.   | İ                                 |   |
| <ul> <li>Continue work with NW Power Planning Council on potential reductions in direct</li> </ul>  | 1                                 |   |
| program costs for FY2004-2006.  |                                   |   |
| • Use Council conclusions from mainstern rulemaking to engage NOA A Fisheries   |                                   |   |
| about which measures are appropriate to include in financial projections.   |                                   |   |
| <ul> <li>Seek additional efficiencies in river operations consistent with biological opinion.</li> </ul>  | 60                                | <b>A</b> O                                    |
| 9. Debt management activities such as freeing up reserve accounts and accounting for  | \$?                               | \$?   |
| foregone interest on such accounts, reflecting refinancing savings and swap   | 1                                 |   |
| transactions, and other potential actions.  | \$65M                             | <b>00114</b>                                  |
| 10. ENW paying agent settlement and financing of spent fuel storage facility.   | \$19M                             | \$81M   |
|   | Φ1 71VI                           | \$14M   |
| ofal  | \$356 M                           | \$940.34                                      |
| esulting rate increase over FY2003 effective average rates. If all the possible   |                                   | \$840 M                                       |
| nprovements above occur, an SN CRAC may still be necessary to maintain rates at the   | 1                                 |   |

## Attachment #2 Effects of Deferring the SN CRAC Process: High Financial Risks

- Additional cost reductions and revenue increases have not been achieved yet. All of the \$754 million of cost cuts and revenue increases in the customer alternative should be pursued, but none of it can be counted on as assured now, except for \$20 million of BPA internal power-related cost reductions in addition to the \$140 million already done. Virtually all the \$754 million requires the agreement of other institutions that has so far not happened (or requires cooperation of the weather and markets). BPA has been pursuing all of these reductions for months. Virtually none is unilaterally achievable by BPA.
- Relying on uncertain financial improvements, and then not getting them, could mean financial disaster or a much higher rate increase. If we defer the SN CRAC process and get none of the \$754 million of financial improvements except \$20 million more in internal cost reductions:

TPP in FY04 with no SN CRAC: 15%
SN CRAC in April 2004 to bring FY04 TPP back to 50%:
59% increase in base rates
37% above FY03 rates

- Extraordinary cash tools will be needed, even with an SN CRAC. Extraordinary cash tools, such as use of ENW refinancing proceeds or the Treasury note, are BPA's last line of financial defense. Even with an SN CRAC in FY04, there is high probability that BPA will need these last-defense tools to meet obligations both in the fall of 2003 and the fall of 2004. Using \$100 million of ENW refinancing proceeds to avoid an SN CRAC means that the last line of defense is that much smaller. The SN CRAC is important to replenishing this tool. Without it, BPA's risk of illiquidity and failure to pay Treasury or other creditors could be substantially increased.
- BPA already has lowered financial standards to mitigate rate impacts. The rate case standard for TPP is 80% to 88% for five years, translating to over 90% for individual years. The TPP target for individual years in the SN CRAC proposal is 50% in combination with a three-year 'Treasury Recovery Probability' (not TPP) of 80%. Also, in the SN CRAC proposal the power business line can use transmission reserves to achieve a higher TPP, departing from the prior standard of a power-only TPP. Returning to the rate case standard for TPP would require a far higher SN CRAC. We are proposing a lower TPP standard to recognize the severe impacts of a rate increase while still achieving our traditional level of TPP by the end of FY06. See Table 1.

Table 1
Impacts of TPP Standards on a One-Year SN CRAC

| One-year TPP | Five-year TPP | One Year SN CRAC for FY04 above base rates | Rate increase for<br>FY04 above<br>FY03 rates |
|--------------|---------------|--|---|
| PBL – 95.6%  | PBL – 88%     | 66%  | 42%   |
| BPA – 95.6%  | BPA - 88%     | 58%  | 37%   |

• SN CRAC process deferral probably would mean further credit rating downgrades. BPA's credit rating recently was downgraded by Fitch as well as placed on "negative outlook" by Standard and Poor's, even in view of the expectation that BPA will proceed with the SN CRAC process and shore up its TPP and liquidity positions. Putting off the SN CRAC process could result in additional downgrades, which would add costs and/or cause damage to BPA's debt optimization program, the source of funds that the customers would have us rely on. The S&P report states that a downgrade could be prompted by "the use of any debt restructuring savings to offset current operating expenses...," "failure to implement an adequate SN CRAC...," or "any restructuring of federal Treasury obligations."

### Additional Notes Regarding Impacts of Different TPP Criteria on a Potential SN CRAC

- BPA's long-term TPP standard is 95% for a two-year period, equivalent to 88% for a five-year period. BPA relaxed this to 80% for a five-year period during the discussions of the Fish Funding Principles. BPA then applied this to PBL-only rates and cash in the 1996 rate case for FY97-01, and again in the 2002 rate case for FY02-06. This means that the cash reserves attributable to PBL plus the cash flow generated by PBL rates and revenues should have an 88% probability of being sufficient to cover the PBL portions of the Treasury payment for all five years.
- If we look at a one-year SN CRAC, we essentially have a one-year rate period. The one-year TPP that corresponds to an 88% five-year PBL TPP is 95.64%. An SN CRAC for FY04 alone is sufficient to produce a PBL one-year TPP of 95.64% is 66% (above base rates), or an increase in total non-Slice rates from FY03 to FY04 of 42%.
- BPA has proposed to relax this standard by proposing a whole-BPA TPP test for SN CRAC purposes. The 2004 SN CRAC needed to produce a one-year (FY04) TPP of 95.64% is 58% (above base rates), or an increase in total non-Slice rates from FY03 to FY04 of 37%.
- If BPA were to relax the TPP standard further than proposed, and aim for a BPA TPP of 80% for FY04, the needed SN CRAC would be 42% (above base rates), or an increase in total non-Slice rates from FY03 to FY04 of 26%.
- These all assume Initial Proposal data with the additional inclusion of \$20 million in cost cuts BPA already has pledged as part of reducing costs to the level of 2001 actuals (net of offsetting revenues), assuming the \$20 million is achieved in equal parts in FY03 and FY04.

Table 2
Factors in Support of a Multi-Year SN CRAC Proposal

|  | Five Year<br>Equivalent<br>TPP | TPP Criterion  | SN CRAC (% over base rates)        | Total rate increase above total FY03 (incl. all CRACs) |
|--|--------------------------------|--|------------------------------------|--|
| One Year SN CRAC<br>for FY04               | 80%                            | One year at 95.6%                                      | 58% for<br>FY04                    | 37% for FY04   |
| 3 Year Fixed<br>SN CRAC                    | 80%                            | Three year at 87.5%                                    | 48% for<br>FY04-06                 | 30% for<br>FY04-06                                     |
| BPA Initial Proposal<br>(variable SN CRAC) | n/a                            | TRP in FY06 of<br>80% <u>and</u> FY04-06<br>TPP of 50% | 30% on<br>average for<br>FY04-06 * | 15.6% on<br>average for<br>FY04-06 *                   |

Note: The first two cases assume Initial Proposal data with the additional inclusion of \$20 million in cost cuts BPA already has pledged as part of reducing costs to the level of 2001 actuals (net of offsetting revenues), assuming the \$20 million is achieved in equal parts in FY03 and FY04. The initial proposal does not include these. However, if they are included, the impact is less than I percentage point (29%, 15.2%). TRP stands for Treasury Recovery Probability, which is the probability of making all Treasury payments by the end of FY06.

- Is the three-year SN CRAC proposal aimed at rebuilding BPA reserves to original Rate Case levels of \$600 million? No. The BPA three-year proposal would aim to recover reserves to around \$300 million by the end of FY06 a level considered minimal.
- Three-year Treasury Recovery Probability (TRP) allows a lower SN CRAC. If a one-year SN CRAC is established at a sufficient level to provide an 80% probability that we pay Treasury in FY04 (still low by normal standards), it would have to be extremely high. The three-year approach allows BPA to make the case that we are on path to recovering TPP by FY06 (the 80% TRP standard in FY06).
- A one-year SN CRAC also risks an extremely high SN CRAC in FY05 and FY06. If the total financial shortfall is in the ballpark of current BPA estimates, compressing the period of recovery by deferring the SN CRAC process could mean creating a much bigger rate problem in FY05 and FY06. (Having no SN CRAC in FY04 could force the proposed FY05-06 SN CRAC rates to be 1.5 times the size of the proposed FY04-06 SN CRAC.)
- BPA must set its rates to recover its costs. We need to demonstrate to FERC that we are setting rates sufficient to cover our costs. Under current rates, assuming that we will have an FB CRAC, we have negative net revenues in each of the four years (FY03-06). (FY04 \$123M; FY05 -\$117M; FY06 -\$99M; on top of negative net revenues in FY02 and FY03)
- Year-by-year SN CRAC increases the likelihood of cost deferral and makes clarification of long-term difficult: Addressing the need for an SN CRAC each year could create a bow wave of losses that would be built up and pushed out past 2006. As long as this prospect exists, BPA's post-2006 cost structure remains more uncertain, making it harder to resolve post-2006 issues

United States Senate

WASHINGTON, DC 20510-4704

COMMITTEES:
APPROPRIATIONS
BUDGET
HEALTH, EDUCATION, LABOR
AND PENSIONS
VETERANS' AFFAIRS

April 11, 2003

4.26.03 6.9.03

Steven J. Wright

Administrator

Bonneville Power Administration

905 NE 11th Ave.

PO Box 3621

Portland, Oregon 97208-3621

ASSIGN: DR-7C

cc: A-7, D-7, K-7, DC/Wash, L-7, P-6,

PL-6

Dear Mr. Wright:

Please find enclosed a copy of correspondence sent to my Spokane office by is concerned because he would like your office to work with Congress to find ways to cut cost burdens by legislative action.

I would greatly appreciate any appropriate attention you can give to this matter. If you need any further information, please contact Shannon in my Spokane office at 509-624-9515.

Thank you for your time and consideration.

Sincerely,

Patty Murray

United States Senator

PM\sw

March 17, 2003

Mr. Steven Wright, Administrator Bonneville Power Administration P.O. Box 3621 Portland, Oregon, 97208-3621

Subject: Further BPA Rate Increases

Dear Mr. Wright,

I am a customer of the Ferry County Public Utility District in northeast Washington state and a retiree. With the addition of the CRAC, our power bill has taken a dramatic upswing and we now read that your agency is proposing a 25% increase in October, 2003.

The Northwest is already hurting economically and businesses from Boeing to the local photo shop are alreading hurting, and unable to pass on cost increases such as you are proposing.

BPA has dramatically exceeded its own budget the last two years, and I read that it will take another three years of the current or higher rates before BPA costs are brought under control. The businesses and individuals such as myself need refief now, not further price hikes. The BPA must solve it's budget problems, and not just pass them on to it's end-user customers like me. As a retiree for six years, I have a small pension that has no COLA, and my Social Security which is adjusted about 1 to 1 1/2% per year. That doesn't go far on your rate increases.

I urge you to find ways to cut costs as private businesses and we retirees have to do, and hold the line on your prices to our suppliers. Our local PUD is doing everything possible to hold their costs in line, but they need your help. By copy of this letter to our congressional delegation, I request that they work with you to see if there are "operating cost burdens" or "overhead issues" that are cost burdens that might be eased by legislative action.

Yours truly,

cc: Senator Maria Cantwell
Senator Patty Murray
Congressman George Nethercutt

# THE OF A

### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

JUL 15 2003

In reply refer to: DR-7C

The Honorable George Nethercutt, Jr. U.S. House of Representatives Washington, D.C. 20515-4705

Dear Representative Nethercutt:

This is in response to your letter regarding the concerns of your constituents, and Bonneville Power Administration's (BPA) negotiations for a perpetual access easement on an existing road across their property. The property is impacted by BPA's proposed Grand Coulee-Bell 500-kilovolt (kV) transmission line project, referred to as the Eastern Washington Reinforcement. The Record of Decision for this project was signed on January 10, 2003. This project will ensure sufficient capacity in BPA's transmission system to serve its customers.

Our Vice President of Engineering and Technical Services, Alan Courts, wrote to you last April to say that we were working with the condition to address their concerns. I am pleased to report that we have now reached a settlement. In addition to monetary compensation for the easement across the property, BPA will be working cooperatively with this landowner to control weeds within the easement area. This will continue for the duration of the project and, as funds allow, subsequent to the completion of construction.

BPA shares the concerns regarding weed control and is taking reasonable precaution to guard against the potential spread of noxious weed seeds. Weed surveys were performed prior to commencement of construction and will be repeated when the project is complete. As a requirement of the construction contract, the contractor must certify in writing that all vehicles, equipment, and machinery are free of all weeds, including seeds, before moving the equipment into the construction area. Additionally, wash stations have been established at intervals along the right-of-way to wash and clean vehicles and equipment when transitioning between agricultural and non-agricultural construction sites. Portable equipment is also being utilized to wash vehicles in some areas.

As mentioned in the letter, BPA has negotiated with the Lincoln County Noxious Weed Control Board to spray weeds in specific easement areas and additional spraying has been accomplished in conjunction with the construction project.

I hope this information is helpful to you in addressing the concerns of your constituent. If you have further questions, please feel free to contact me or have your staff contact Mark Korsness, Project Manager, at (360) 619-6326.

Sincerely,

Stephen J. Wright
Administrator and Chief Executive Officer

GEORGE R. NETHERCUTT, JR.

5TH DISTRICT, WASHINGTON

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEES: **AGRICULTURE** 

> INTERIOR DEFENSE VICE CHAIRMAN

Congress of the United States House of Representatives

Washington, DC 20515-

April 1, 2003

(202) 225-2006 920 WEST RIVERSIDE, SUITE 594

SPOKANE, WA 99201 (509) 353-2374

223 CANNON HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

9209 EAST MISSION AVENUE, SUITE B SPOKANE, WA 99206 (509) 924-7775

> 29 SOUTH PALOUSE WALLA WALLA, WA 99362 (509) 529-9358

555 SOUTH MAIN STREET COLVILLE, WA 99114 (509) 684-3481

www.house.gov/nethercutt (web) www.hpuse.gov/nethercutt/contact (e-mail)

COMMITTEE ON SCIENCE

SUBCOMMITTEES:

**ENERGY** 

SPACE AND AERONAUTICS

Mr. Stephen Wright, Bonneville Power Administration PO Box 3621 905 NE 11th Avenue Portland, OR 97231

Dear Stephen:

Enclosed please find a copy of correspondence that our district office received from Representative Nethercutt has asked me to forward it to your office for resolution.

I would appreciate your reviewing this matter and responding to our district office at your earliest convenience. If you need additional information, please contact me at (509) 684-3481

Thank you for your assistance in this matter.

Cordially,

GEORGE R. NETHERCUTT, JR.

Representative in Congress

GRN:clb

ASSIGN: DR-7C

Cecarit. Wethercut, Jr.

cc: A-7, D-7, K-7, DC/Wash, DR-7, L-7, DR/WSGL, KE/KEW-4, JCowger-TR/TPP4 March 24, 2003

506 SE Mitchum Wilbur, WA 99185 March 19, 2003

Congressman George Nethercutt 555 S Main Colville, WA 99114

## Dear Congressman Nethercutt,

We have pasture property near Creston, WA: Currently a BPA power line runs through the property, and BPA has an easement for that property. Additional work is planned for that line.

On our property, the line runs over a cliff, and a road has been built over the years to bypass that cliff. BPA currently does not have an easement for that road. It is an additional easement for that road that prompts this letter.

Over the years, BPA and its contractors have carried weeds onto our property through their easement and the road. A couple times over the years, we have been able to obtain chemicals (paid by BPA) to maintain some control over those weeds. We are required by our local Noxious Weed Control Board to spray and/or otherwise control those weeds. Good stewardship of the land and common sense also requires us to control those weeds. While assistance with the cost of chemical is appreciated, it is the cost of labor that hits us the hardest.

BPA has been in contact with us to purchase an easement for that access road. In exchange for a much-reduced price, we have asked for assurances from the BPA that they will control the noxious weeds along all of their existing and new easements. We have also been willing to allow access with a no-cost revocable easement. We do not intend to revoke that easement unless BPA does not control the weeds.

BPA is currently in negotiations with the Lincoln County Noxious Weed Control Board to spray the weeds along all its right-of-ways. Our concern is that this is a temporary arrangement to appease those of us who have raised a fuss about lack of weed control by the BPA, and that the agreement will be allowed to lapse once the additional easements have been obtained and the agreement with the Weed Board expires.

While we understand the need for BPA to control its costs, we too have to control ours. Low cost power should not be on the backs of individual property owners along the path of the power lines. As farmers, we do not have the ability to pass on additional costs to our customers or markets. We have tried to be very flexible with this process, and

reasonable in our requests to the BPA. We feel we are being threatened with a taking of our land if we don't just sign the papers as written for a permanent easement to our land with no long-term responsibility for mitigation of ongoing damages to that property.

Your assistance in finding a reasonable solution to this problem is greatly appreciated.

Respectfully yours,

cc: Bob Morton

Cathy McMorris

Bob Sump

Lincoln County Noxious Weed Control Board

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### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

TRANSMISSION BUSINESS LINE

In reply refer to: TN/OPP-3

The Honorable George R. Nethercutt, Jr. U.S. House of Representatives 555 South Main Street Colville, WA 99114

Dear Congressman Nethercutt,

Thank you for your letter dated April 1, 2003, regarding Bonneville Power Administration's (BPA's) Grand Coulee-Bell 500-kV Transmission Line Project. Paula Campbell, BPA's realty specialist for this portion of the project, has contacted your constituents,

Working together with these landowners, we have made progress toward resolving all issues of weed control and access road acquisition, to the benefit of both parties. We will give full consideration to all their concerns. Our Administrator, Steve Wright, will write you as soon as these issues are resolved.

Thank you for bringing their concerns to our attention. If you have any questions, please contact me, or have your staff contact BPA's Project Manager, Mark Korsness, at 360-619-6326.

Sincerely,

Alan L. Courts

Vice President, Engineering and Technical Services

Transmission Business Line, BPA

bcc:

Adm. Chron. File – A

ECC-D-7 (03-0092)

BPA-DC/Wash (2)

P. Zimmer-DR-7C

B. Evans-DR-7C

A. Courts – TN-OPP-3

R. Swedo-DR/Spokane

M. Korsness-TNP-TPP-3

Official File-DR (EX-15-12-2)

PZimmer:lma:3502:4/30/2003 (EXCHHQ02-DR-7C-W:\RegRel\CONGRESS\LETTERS\03\Nethercutt\DR03-0092 Int LTR.doc)

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### Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

AUG 1 1 2003

In reply refer to: DR-7C

The Honorable C.L. "Butch" Otter U.S. House of Representatives Washington, D.C. 20515-1201

Dear Congressman Otter:

This is in response to your letter of July 10, 2003, forwarding the concerns of your constituent, asks for your help in getting the Bonneville Environmental Foundation (BEF) involved with his proposal to develop a large-scale wind farm.

The BEF is a charitable and nonprofit corporation dedicated to encouraging and funding projects that develop and/or use clean, environmentally preferred renewable power and help preserve and protect fish and wildlife habitat within the Pacific Northwest. Although Bonneville Power Administration (BPA) has an ex-officio non-voting seat on the Board of Directors, BEF is operated and funded independently of BPA. Any inquiries regarding project proposals to the BEF should thus be submitted directly to the BEF.

Briefly, I understand that BEF has exchanged correspondence with concerning his wind energy proposal, and that BEF staff had a number of technical questions and issues that they requested it further research. I expect those discussions will continue.

If you have any questions about these or other issues, please contact me or have your local staff contact Mr. John Williams, our Idaho Constituent Account Executive, at 208-334-9177. Thank you for your letter.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

#### C.L. "BUTCH" OTTER

1ST DISTRICT, IDAHO

COMMITTEE ON ENERGY AND COMMERCE

SUBCOMMITTEES: ENERGY AND AIR QUALITY

ENVIRONMENT AND HAZARDOUS MATERIALS

COMMERCE, TRADE, AND CONSUMER PROTECTION



1711 LONGWORTH HOUSE OFFICE BUILDING WASHINGTON, DC 20515 (202) 225-6611 FAX: (202) 225-3029

www.house.gov/otter Email: www.house.gov/otter/email.htm

## Congress of the United States House of Representatives

Washington, **DC** 20515—1201 July 10, 2003

Steve Wright Administrator Bonneville Power Administration P.O. Box 3621 Portland, OR 97208-3621

ASSIGN: DR-7C

ce: A-7, D-7, K-7, DC/Wash, P-6, PT-5,

DR/MSGL

Dear Administrator Wright,

Enclosed is a letter I received from regarding his proposal for a wind farm.

, a constituent from Burley, Idaho,

I would appreciate it if you would consider Jon's comments and provide me with a response that I may share with him. If you have any questions, please contact Jani Revier in my office at 202-225-6611.

Thank you in advance for your assistance in this matter.

Sincerely,

C.L. "Butch" Otter Member of Congress

CLBO/mmj

energy/2/74/99

May 15, 2003

Congressman CL "Butch" Otter United States Legislature 1711 Longworth House Office Bldg. Washington, D.C. 20510

Dear Legislature Butch,

I have been very involved with wind energy development in Idaho by working with Gerald Fleischman from the Idaho Department of Water Resource, Energy Division. With Gary Seifert from Idaho National Engineering and Environmental Laboratory. Also I am a panel member of Idaho Wind Power Working Group.

At present I have been approved threw the Planning and Zoning Commission of Cassia County to install two wind turbines on my farm. One is for net metering for my home and shop. The second one is a large scale wind turbine up to 1500kWof generation, which I will be able to put my power back on the grid threw a irrigation pumping facility without any costly expense to the Idaho Power or for me.

I really need any help you can help in getting the Bonneville Environmental Foundation involved with the large scale project on my farm. I have submit a letter of enquiry to them to come on board with use and developing this project, because it is the only proposed type of project like this around. At present I have Idaho Power, Idaho Department of Water Resource, Energy Division, Idaho National Engineering and Environmental Laboratory, the Cassia County Planning and Zoning Commission and we are try to get a Wind Turbine Manufacture also evolved in this project. We our going to have signs on the Interstate Highway, which is about 12 mile from the site a will being providing vehicle access and parking at the site for the public to get a hands on feeling of what wind energy really can provide for our country. Plus all the data from this project will be available to the public and all government and schools and colleges in the Northwest.

I really believe we need to extend the Production Tax Credit on Renewable Energy in the Energy Bill for at least for four more years or more to offset the high up front cost of Renewable Energy Development.

On behalf of rural families, I urge you to insist that any national energy legislation include a renewable electricity standard (RES) requiring utilities to increase their generation of electricity from clean renewable sources such as wind, solar, geothermal and biomass.

Thirteen states—Arizona, California, Connecticut, Iowa, Maine, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, Pennsylvania, Texas, and Wisconsin—have already adopted a renewable electricity standard. A national RES would complement and enhance these groundbreaking efforts.

#### An RES would:

• Bring jobs to rural areas. According to the US Department of Energy, generating just five percent of the country's electricity with wind power by 2020 would create 80,000 new jobs. A Danish company recently opened a wind turbine blade

manufacturing plant in Grand Forks, North Dakota, creating 130 new high-paying jobs, equivalent to 20 percent of the jobs in the state's coal industry. Wind turbine manufacturing plants are also opening and proposing new facilities in Illinois and Colorado.

- Provide over \$400 million annually in lease payments to farmers, ranchers, and rural landowners from wind power development. In the Northwest, wind developers are paying farmers \$2,000 or more per year for each wind turbine installed on their land. Large wind turbines use only about a quarter acre of land, including access roads, so farmers can continue to plant crops and graze livestock right up to the base of the turbines. In a good year, that same plot of land could yield an additional \$90 worth of corn, \$40 worth of wheat, or \$5 worth of beef.
- Spur over \$43.8 billion in new capital investment in renewable energy here at home and create new opportunities in the manufacturing and high tech sectors—both of which have experienced severe cutbacks and employee layoffs over the past year. Wind and photovoltaic energy provide 40% more jobs per dollar invested than coal. According to the Earth Policy Institute, wind energy is the fastest growing source of electricity in the world, and other renewable technologies are strongly in demand. Europe and other countries are already promoting their renewable energy industries and the U.S. needs to act now if we want to compete in growing global clean energy markets.
- Enhance our energy security by diversifying our electricity mix and increasing our reliance on decentralized power sources that are less vulnerable to disruption.
- Stabilize prices for consumers by mitigating the effects of energy shortages and natural gas price spikes. A study by the U.S. Energy Information Administration (EIA) shows that a renewable electricity standard of 20 percent by 2020 (five years earlier than the current House or Senate goal of 20% by 2025) would lower natural gas prices, and result in no net increase in consumer energy bills.
- Protect the environment and improve public health by substituting clean, renewable energy sources for polluting fossil fuels. Developing the nation's untapped renewable resources represents a responsible way to expand our power capacity while improving air or water quality and creating a significant number of new, high-quality jobs.

I support policy proposals—like an RES—that boost rural economies, enhance our energy security, and protect consumers and the environment. I look forward to working with you to establish a national RES. America can lead the world in clean, efficient energy production and demonstrate that sound energy policy, environmental protection, and economic development can go hand in hand. We the people of Idaho will seize this momentous opportunity.

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### **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

SEP 0 3 2003

In reply refer to: DR-7C

The Honorable C.L. "Butch" Otter U.S. House of Representatives Washington, DC 20515-1201

Dear Representative Otter:

This is in response to the letter you forwarded from your constituent,

asks about sales data from the Energy Information Administration (EIA) concerning

Bonneville Power Administration (BPA) public utility customers in the State of Idaho.

The EIA estimate of 300 average megawatts to Idaho public utilities is in the ballpark. In fiscal year 2001, BPA sales to Idaho public utilities totaled 285 aMW. In FY 2003, we have forecast sales to Idaho public utilities of 320 aMW. conclusion that the four Lower Snake projects (4 LSP) comprise 12 percent of the Federal Columbia River Power System (FCRPS) is also roughly right. The firm output of the 4 LSP comprises about 15 percent of the total firm capacity of the FCRPS.

However, as you know, it is not possible to physically track the path of power that enters the grid from any particular generator to any particular BPA customer or customers. Thus, it is not possible to deduce what amount of BPA power that Idaho public utilities receive actually comes from the 4 LSP. In addition, there are five other Federal hydro projects (Palisades, Minidoka, Anderson Ranch, Black Canyon, Dworshak and Albeni Falls) in or near Idaho as well as other Federal resources that also serve Idaho public utilities.

The 4 LSP are an important generation asset to the Federal power system. Their location enhances the overall Federal power system's load regulation, operating and spinning reserves (emergency peaking), load following, and sustained peaking. The Lower Snake River Environmental Impact Statement estimates the cost to replace the 4 LSP at \$271 million – this includes the power, ancillary services, and transmission reliability economic costs of the projects.

I hope this information is helpful to your constituent. If has further questions, he may contact Mr. John Taves of our staff, at 503-230-4995.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

#### C.L. "BUTCH" OTTER

1ST DISTRICT, IDAHO

COMMITTEE ON ENERGY AND COMMERCE

SUBCOMMITTEES: ENERGY AND AIR QUALITY

ENVIRONMENT AND HAZARDOUS MATERIALS

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www.house.gov/otter
Email: www.house.gov/otter/email.htm

## Congress of the United States House of Representatives

Washington, DC 20515-1201

July 25, 2003

Steve Wright
Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

ASSIGN: DR-7C cc: A-7, D-7, K-7, DC/Wash, L-7, P-6, PG-5

Dear Administrator Wright,

Enclosed is a letter I received from BPA energy customers in Idaho.

;, a constituent from Boise, Idaho, regarding

I would appreciate it if you would consider comments and provide me with a response that I may share with him. If you have any questions, please contact Jani Revier in my office at 202-225-6611.

Thank you in advance for your assistance in this matter.

Sincerely,

C.L. "Butch" Otter Member of Congress

CLBO/mmj

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Jani/Energy/2182315

June 29, 2003

Representative Butch Otter U.S. House of Representatives Washington, D.C. 20515

Dear Representative Otter,

A review of Energy Information Administration sales figures for utilities in Idaho leads me to believe that the Bonneville Power Administration has a couple of dozen regular but small customers in Idaho. These are municipalities like Burley and co-ops like the Lost River Co-op. The total electrical load to these regular BPA customers appears to be about 300 megawatts, of which about 12% or 36 megawatts is power from the four lower Snake River dams.

Could your staff confirm for me that these numbers are correct?

Thank you.

Sincerely,



## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

OCT 3 1 2003

In reply refer to: DR-7C

The Honorable Jay Inslee U.S. House of Representatives Washington, DC 20515-4701

Dear Representative Inslee:

Thank you for your letter of October 6, 2003, expressing concerns over the noise level increase as a result of the increase in voltage on the SnoKing Tap. As you are aware this line was built for 500-kilovolt (kV) electrical capacity to ensure reliability and meet the needs of continued population and load growth in the north Puget Sound area. The operational voltage of the line was recently increased from 230 kV to 500 kV by the replacement of transformers at each end of the line.

The SnoKing Tap voltage increase is part of a package of transmission reliability improvements, collectively referred to as the Puget Sound Reinforcement Projects, which Bonneville Power Administration (BPA) is implementing to reduce the likelihood of blackouts in the Puget Sound Area. The projects include the new Kangley-Echo Lake line, the Echo Lake substation expansion, and additions and replacements at several other substations in the area.

We operated the SnoKing Tap at 230 kV from its original energization in the early 1970s until September 29, 2003, when we increased the voltage to 500 kV. Immediately following the increase, we received many phone calls and emails from area residents concerned about increased noise on the line.

While we expected an increase in the noise level, we did not anticipate that this increase would be of concern to area residents. In order to respond to these concerns, we immediately began inspections, taking wet weather measurements at 16 different locations on October 2, 2003, and dry weather measurements on October 10, 2003. Noise levels ranged from 44 to 48 decibels during wet weather, and from 40 to 45 decibels in dry weather. (Operation of high voltage transmission lines creates a hissing or crackling sound due to partial electrical breakdown of the air around the line, referred to as corona. This is more noticeable in wet weather or smoky air.) These preliminary measurements appear to meet both county and state noise regulations. BPA maintenance crews climbed towers on the line to inspect hardware and see if it was functioning properly. They detected no obvious problems. BPA helicopters are flying the line as part of continuing inspection efforts.

On October 23, 2003, we held a public meeting in Snohomish to help increase our understanding of the situation and discuss local residents' concerns. Among their questions were what type of environmental review BPA did prior to building the line, whether BPA could reduce the voltage on the line to 230 kV while studies continue, and, of course, what is causing the noise. BPA staff described our ongoing tests to determine the particular levels of noise on this line. We expect the results of those investigations in December. Meanwhile, we committed to keeping residents informed about the ongoing inspection activities. We agreed to hold a second public meeting in January to talk about our findings and what noise abatement treatments may be possible.

I assure you that BPA is taking the issues raised by homeowners in the area very seriously. We will continue to work closely with area residents in an effort to find reasonable means to alleviate noise levels associated with this line. Please contact me if you have other questions or if I can be of additional assistance, or have your staff contact Cindy Custer, Washington State Constituent Account Executive, at 360-943-5375.

Sincerely,

Stephen J. Wright

Administrator and Chief Executive Officer

JAY INSLEE

1st District, Washington

**COMMITTEE ON RESOURCES** 

FORESTS AND FOREST HEALTH RANKING MEMBER WATER AND POWER

#### COMMITTEE ON FINANCIAL SERVICES

CAPITAL MARKETS, INSURANCE AND GOVERNMENT-SPONSORED ENTERPRISES OVERSIGHT AND INVESTIGATIONS

Congress of the United States House of Representatives

Washington, DC 20515-4701

October 6, 2003

21905 64TH AVENUM WEST, #101 MOUNTLAKE TERRACE, WA 98043-2278 (425) 540-0233 FAX: (425) 776-7188

17791 FJORD DRIVE, NE, DOOM 112 POULSEO, WA 98370 (360) 598-2242 FAX: (360) 598-3650

308 CANNON HOUSE OFFICE BIJLIDING WASHINGTON, DC 20515-4701 (202) 228-6311 FAX: (202) 228-1606

JAY.INSLEE@MAIL,HOUBE.GOV

WWW.HOUSE,GOV/INSLEE

Stephen Wright
Administrator
Bonneville Power Administration
PO Box 3621
Portland, OR 97208-3621

Dear Mr. Wright:

A recent increase in power flowing through transmission lines owned by Bonneville Power Administration in south Snohomish County has been a cause for considerable concern for area residents whom I represent in the United States Congress. I want to bring this matter to your attention and ask for a solution.

I understand that Bonneville Power Administration constructed a new transmission structure to allow the SnoKing Tap to the Monroe-Sammamish transmission line to connect to the Echo Lake-Monroe transmission line. As you know, on Sept. 29, the line voltage was increased from 230-kV to 500-kV resulting in a dramatic increase in the amount of sound generated by the line.

The increased noise came as a complete surprise to my constituents and has caused considerable distress. Residents have said that the constant humming, buzzing noise has made it difficult or impossible to sleep. They have reported that the noise makes it difficult to be heard in normal conversational voice across the backyard fence; that the noise sounds like a neighbor is operating a lawn trimmer in the next lot and that it sounds like a swarm of bees is constantly nearby.

In addition, many residents have expressed concern about the impact on their property values and they fear that it would be difficult or impossible to sell their property. Many residents bought their homes in full awareness of the existence of the transmission lines. Until now, however the lines have never intruded into residents' awareness in this way and they never imagined that the operation of the lines could be so disruptive to their lives. Now some residents want to abandon their property and believe that the place is unfit to live in. I have included a sample of the correspondence I have received.

I respectfully request that BPA examine ways to solve this problem and restore tranquility to the communities affected. I trust that there are technological fixes or other steps that BPA could take that would alleviate the noise problem that increased power flows have caused. I appreciate your attention to this matter and I look forward to hearing from you.

ery truly yours,

AY INSLEE

Member of Congress

JR/pmh

Enclosures

ASSIGN: DR-7C

cc: FO3, DC/Wash, L-7, P-6, T/Ditt2,

Carolyn Whitney-T/Ditt2, Fred Johnson-TF/DOB1

RINTED

-----Or

From

**Sent:** Monday, October 06, 2003 12:20 PM

**To:** Congressman Jay Inslee **Subject:** Power Line Noise

Hello Jay,

I am sure that in the past week you have received many emails or phone calls regarding BPA's power line that runs from East of Monroe to just West of Thrashers Corner. I am one of those people that live with the easement on our property. The serene setting that we have been living in for the past 4 years was drastically changed on Monday September, 29th, 2003. My animals are very nervous and skittish as of yet. BPA says they will adjust. How long will that be. Also, we have a pair of breeding Osprey that nest on the tower just below our property line, that have left as of Monday. My family and I had watched the osprey and their two fledglings all weekend long. The Osprey may be a bit noisy at times, but their noise is not annoying or continual.

BPA says they sent out letters in July of the impending voltage raise. Speaking for my family, we never received this letter or any other notification of any changes to come. I feel this was very poor preparation on their part and they should not be able to make any changes without notifying all those along the easement line first.!!!

The lines that BPA has upped to 500,000 volts are lines that were approved in technologically in 1970. There has to be some advancements in technology to reduce any adverse effects, i.e. noise.

Thank you for your time.

If you have time, homeowners are meeting in Cathcart at the Horseshoe Grange on Tuesday, October 7th at 7pm. Please join us.

Best regards.

From:

Sent: Tuesday, September 30, 2003 1:59 PM

**To:** Representative Jay Inslee **Subject:** Powerline Noise

Please help!

I am at my wits end! We live along a large powerline (BPA). We're at least 100 yds from it. It has been here as long as we've been here, and has never been a problem.

LAST NIGHT (9/29/03) they DOUBLED the electrical load. We woke up this morning and went outside to feed our ducks and start outside chores. The ducks were up next to the house and afraid of the noise. The buzz we hear outside is similar to having a school bus idling in your driveway.

I called our electrical provider who told me it was a BPA line and that maybe they had a bad insulator or something out there.

I called BPA and found out it was just an 'upgrade' and business as usual. They did give us a number for the area representative, who just explained the mechanics, and told me that animals will eventually ignore it.

I love our property. We have a wooded acre and I have a garden on the end that borders the powerline property. Now everything has changed. I have to force myself to go out to the garden. I will no longer be using my hammock out there nor will I entertain guests 'out by the garden' anymore.

Is there any precedence? We've been here 6 years and have started building a house behind our old trailer. But now we want to get out of here! And the thought of trying to sell it is awful. It will start with the statement, "You cannot expect full market value with that Powerline Noise." Our new house is built closer to the powerlines, not further away, which we wouldn't have done if we'd had any clue this could happen.

My husband has been working on the house the last few hours and says his ears continue to hum after he is in the house more than 10 minutes.

Is there a precedence? Do we have any rights to make them decrease the sound? Do we have to live like this?

Dulane Crist

From:

Sent: Tuesday, September 30, 2003 6:19 PM

To: MeMyself and I

Cc: Congressman Jay Inslee; newshound@heraldnet.com; susanpaynter@seattlepi.com;

newstips@seattletimes.com; viewercenter@nwcn.com; emailago@atg.wa.gov;

senator\_murray@murray.senate.gov

Subject: Buzz that never stops

To Whom It May Concern,

I have a grave problem which is affecting my health, my wealth, and my well being. I live near the Bonneville powerlines in a beautiful wooded area in Bothell, Washington. It has been pleasant here. The powerlines make very little noise and you can listen to the morning birds, the squirrels at play in the trees, and you can hear when an animal is moving in the bushes. It has been quite tranquil and pleasant until now. Neighbors say it hasn't changed here in 20 years.

9/27/03:

All of a sudden the powerlines are making a very audible, very loud constant HummingBuzz. This is really loud and is affecting my health, finances, and my well being.

1. If I work in the yard I have the hummingbuzz in my head for hours after leaving the area, I fear it must be affecting my hearing ability with that buzz in my head all the time. 2. When outside you have to speak in much higher tones just to be heard. 3. You can Not hear the morning birds, or the squirrels at play, or animals in the bushes any longer. 4. It is Not tranquil any longer. The birds and animals have left the area. 5. At night - in bed - with windows closed - you lay there listening to that loud hummingbuzz coming right through the walls. I sleep hearing it, I wake up hearing it, and it stays with me for hours after leaving the area. How long of an exposure will it take before that hummingbuzz does not leave me - ever? 6. I have just invested to build a house here But, now with the new hummingbuzz I am sure that my new house will be terribly Devaluated due to the horrible noise from the powerlines. 7. I have \$160,000 invested into the property with another \$90,000 pending for the construction project. Now the project is on hold due to the noise and the devaluation affecting the property value. I was told by BPA that they just decided to more than double the amount of electricity flowing through those lines and that was the cause of the excessive hummingbuzz noise. They couldn't give me a reason for the need to run more than double the power through these lines, just that they dld.

I am asking for something to be done:

1. fix the lines with more/better insulators to contain the noise 2, reduce the amount of electricity flowing through the lines back to the norm 3. Put up a noise deflector 4. BPA Buy my property to use as BPA sees fit. (this lot is near a corner crossing of powerlines and may prove valuable to the utility.)

Desperatly Yours, (Desperately)

From:

Sent: Thursday, October 02, 2003 12:10 PM

To: Congressman Jay Inslee

Subject: Bonneyville Power Administration

Dear Congressman Inslee,

I am a resident of Washington State and currently live in Snohomish County, southwest of Monroe, where I own 10 acres. The BPA has high tension power lines running along some 800 feet of my south property line. At some point early on the morning of Monday, September 29th, the BPA increased the line voltage from 230Kv to 500Kv, with no forewarning and the resulting noise is extremely uncomfortable. I have lived in this location for sixteen years and up until last Monday the noise generated by the power lines was negligible, now it is virtually impossible to approach the lines because of the hum and crackling sound. I can distinctly hear it from my house, some 600 feet away and find it most intrusive. After dark on Monday evening I approached one of the power pylons and touched it with one end of a 40 watt fluorescent tube, and the tube lit up for 30 percent of its length. My concerns are about safety, noise pollution and property values. A call to the BPA office in Snohomish was anything but helpful. I was informed that they had the right to increase the voltage even further should they deem it necessary. I and my neighbors are most concerned about this situation, and I am asking you to investigate whether or not something can be done to alleviate the situation.

Very truly yours,

From:

Sent: Tuesday, September 30, 2003 2:02 PM

**To:** Congressman Jay Inslee **Subject:** Powerline Noise

Please help!

I am at my wits end! We live along a large powerline (BPA). We're at least 100 yds from it. It has been here as long as we've been here, and has never been a problem.

LAST NIGHT (9/29/03) they DOUBLED the electrical load. We woke up this morning and went outside to feed our ducks and start outside chores. The ducks were up next to the house and afraid of the noise. The buzz we hear outside is similar to having a school bus idling in your driveway.

I called our electrical provider who told me it was a BPA line and that maybe they had a bad insulator or something out there.

I called BPA and found out it was just an 'upgrade' and business as usual. They did give us a number for the area representative, who just explained the mechanics, and told me that animals will eventually ignore it.

I love our property. We have a wooded acre and I have a garden on the end that borders the powerline property. Now everything has changed. I have to force myself to go out to the garden. I will no longer be using my hammock out there nor will I entertain guests 'out by the garden' anymore.

Is there any precedence? We've been here 6 years and have started building a house behind our old trailer. But now we want to get out of here! And the thought of trying to sell it is awful. It will start with the statement, "You cannot expect full market value with that Powerline Noise." Our new house is built closer to the powerlines, not further away, which we wouldn't have done if we'd had any clue this could happen.

My husband has been working on the house the last few hours and says his ears continue to hum after he is in the house more than 10 minutes.

Is there a precedence? Do we have any rights to make them decrease the sound? Do we have to live like this?

From: webforms@www6.house.gov

Sent: Tuesday, September 30, 2003 7:06 PM

To: Congressman Jay Inslee Subject: Email Jay Inslee

Hello Mr. Inslee,

I'm writing for help with a problem we are experiencing with Bonneville Power. I live in the Maltby area (SE Snohomish County) and Bonneville has high voltage power lines running through my backyard. Yesterday they upped the voltage going thru the lines from 320,000 volts to 500,000 volts. We knew ahead of time that this would be happening since they tried very hard to cut down every tree on our property last year. What they did not tell us was that the lines now sound like a swarm of six gadzillion bees (to borrow a phrase from my eight year old) swarming in our backyard. They made absolutely no noise until the voltage was upped. We are very concerned because with the loud noise obviously emanating from the wires, our property value is approximately nothing. I'm also quite concerned about health issues for myself, my husband and our three young children. If we can hear the wires, what else are they emitting that could be harmful to our health?

The people we bought this house from six years ago did not tell us that they sold the underground easement (Bonneville apparently owns the above-ground easement) to Olympic Pipeline Company for a Natural Gas pipeline at some point in the future. And now we have hissing, buzzing electric wires too. We would like to sell this house and get out but at this point, who would buy it?

Bonneville has basically told us that we are out of luck and those are the quietest wires they have for that high voltage. But the same size power towers with the same number of wires are in Kirkland and Bellevue and don't make any noise at all. I can't help but feel that Bonneville is brushing us off because we don't live in a "rich" area like the Eastside. And because we are in an unincorporated part of Snohomish County, we don't have the protection of city regulations to fall back on either. I know that they could bury these wires if not better insulate them but unless we get some help to pressure them, they won't bother to spend the money. Could you please help? I am a faithful voter and until now have never had need to contact my representatives but I am in need of your help.

Thank you very much for your time!

From:

Sent: Wednesday, October 01, 2003 4:38 PM

To: Congressman Jay Inslee

Subject: Transmission change of BPA powerline

On Monday, September 29, 2003 the BPA changed transmission on the power line adjacent to our house from 230 to 500 megawatts. This they did with no prior warning. The increase of electricity flowing through the lines produces a buzzing, snapping noise heard over a quarter mile away from the line. This is unacceptable to my family and my neighbors. We moved to the country to enjoy the peace and quiet it provides. Now we feel like we are inside a glant microwave.

Not only is the noise unacceptable to us, but it will be unacceptable to future home buyers. Our property value has decreased significantly with the flip of the BPA switch.

Please talk to BPA officials. Tell them to turn down the transmission or install new lines to bring the power across to Eastern Washington. Restore to us our rightful peace and <u>quiet</u>.

Thank you for your time and interest in this matter.



## **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

EXECUTIVE OFFICE

NOV 26 2003

In reply refer to: DR-7C

The Honorable Maria Cantwell U.S. Senate Washington, DC 20510

Dear Senator Cantwell:

I have recently received two letters from you regarding the Bonneville Power Administration's (BPA) 500 kilovolt (kV) transmission line known as the SnoKing Tap. Both letters request my assistance in addressing the concerns of homeowners living near the line; one also includes specific information relayed by one of the homeowners, your constituent,

As you describe, the SnoKing voltage increase is part of a program of transmission reliability improvements, collectively referred to as the Puget Sound Reinforcement Program. BPA is implementing these improvements to reduce the likelihood of blackouts in the Puget Sound Area and reduce the need for implementing the Puget Sound Curtailment Plan. The SnoKing Tap was built and energized in the early 1970s. It was built for 500 kV operations, in anticipation of continued population and load growth in the Puget Sound Area.

We operated the SnoKing Tap at 230 kV from its original energization until September 29, 2003, when we increased the voltage to 500 kV. Following the increase, we began receiving phone calls and emails from area residents about transmission line noise. We immediately began inspections. Noise levels ranged from 44 to 48 decibels during wet weather, and from 40 to 45 decibels in dry weather. (Operation of high voltage transmission lines creates a hissing or crackling sound due to partial electrical breakdown of the air around the line, referred to as corona. This is more noticeable in wet weather or smoky air.) These preliminary measurements are within county noise regulations. BPA maintenance crews climbed the towers and detected no obvious problems.

On October 30, 2003, we began a detailed helicopter inspection of the SnoKing Tap and the entire Monroe-Echo Lake 500 kV line. For three days, crews took detailed photographs of the line to provide a comprehensive, close-up look at the transmission line structures, conductors, and hardware. We are evaluating the results of the inspections for abnormal conditions that may affect transmission line operations, including potential causes of audible fair weather noise. We have requested an urgent ten-hour outage in early December to clean the conductor in two places and repair and replace any damaged equipment on the line. We expect to have results of these and other investigations in December 2003. We will contact your district staff as new information becomes available.

In addition to our investigations, we have continued to conduct extensive outreach to local homeowners. We have sent letters, held a public meeting, and set up a toll-free telephone number for calls. We have set up a Web site to keep homeowners informed, at <a href="http://www2.transmission.bpa.gov/PlanProj/Transmission\_Projects/default.cfm?page=SK">http://www2.transmission.bpa.gov/PlanProj/Transmission\_Projects/default.cfm?page=SK</a>, where we'll be posting the results of our inspections and other information. We plan to hold a second public meeting in January 2004, to describe our findings.

I assure you that BPA is continuing to work with the community and taking appropriate steps to investigate homeowners' concerns. Please contact me if you have other questions or if I can be of additional assistance, or have your staff contact Cindy Custer, BPA's Washington Constituent Account Executive, at (360) 943-5375.

Sincerely,

Stephen J. Wright

Stylle flyst

Administrator and Chief Executive Officer

#### **MARIA CANTWELL**

WASHINGTON

717 HART SENATE OFFICE BUILDING
 WASHINGTON, DC 20510–4705
 (202) 224–3441
 FAX: (202) 228–0514

# United States Senate

WASHINGTON, DC 20510-4705

October 21, 2003

Mr. Steve Wright
Administrator
U.S. Department of Energy
Bonneville Power Administration
PO Box 3621
Portland, Oregon 97208

10.30.03 11.13.03

COMMITTEES:

COMMERCE, SCIENCE, AND TRANSPORTATION ENERGY AND NATURAL

RESOURCES

INDIAN AFFAIRS

SMALL BUSINESS

ASSIGN: DR-7C

cc: FO3, DC/Wash, L-7, P-6, T/Ditt2,

JCowger-TR-TPP4, SBottemiller-TRV-TPP4

RE:

Dear Mr. Wright:

My constituent, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay\_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Again, thank you for your assistance in this matter.

Sincerely,

Maria Cantwell

United States Senator

MC:jp Enclosure

PLEASE REPLY TO:

☐ U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353–2507
FAX: (509) 353–2547

☐ JACKSON FEDERAL BUILDING 915 2ND AVENUE, SUITE 3206 SEATTLE, WA 98174-1003 (206) 220-6400 TOLL FREE: 1-888-648-7328 FAX: (206) 220-6404 ☐ MARSHALL HOUSE
1313 OFFICERS' ROW
FIRST FLOOR
VANCOUVER, WA 98661
(360) 696–7838
FAX: (360) 696–7844

☐ 825 JADWIN AVENUE G-58-A RICHLAND, WA 99352 (509) 946-8106 FAX: (509) 946-9377 2930 WETMORE AVENUE
 SUITE 9B
 EVERETT, WA 98201
 (425) 303-0114
 FAX: (425) 303-8351

☐ 950 PACIFIC AVENUE 6TH FLOOR TACOMA, WA 98402 (253) 572–2281 FAX: (253) 572–5879 October 13, 2003

# RECEIVED OCT 1 5 2003

Dear Senator Cantwell:

I am a very distraught home owner living with BPA High Voltage Transmission lines directly on my property. Our house is about 130 feet from the centerline.

Just 10 months ago, my husband and I bought a house in Woodinville. Our "dream house" that we hoped we would spend the next 20 years in, raising our family. Our "dream house" has now become a living nightmare. On September 29th I noticed a very loud noise as I left for work in the morning. It was the BPA Power Lines. These lines have not been a nuisance since they were put up in the early '70s. This is what I have discovered since that day:

- BPA more than doubled the voltage in these lines (230kv up to 500kv), without so much as a letter of intent
- There was no EIS
- There was no CEPA
- There was no notice of any kind offered

How has this Power Voltage increase affected my quality of life?

- The joy and tranquility of being in my own yard is gone.
- Gardening is now an ugly task rather than a pleasure; there is no getting away from the noise.
- My daughter is afraid to play on her swing set or in her sandbox.
- We used to enjoy seeing wildlife such as rabbits, deer, coyotes, eagles and heron in our yard. We have not seen any since the noise began.
- I can no longer enjoy having friends and family over for barbeques in our back yard as we did so often this past summer.
- The noise can even be heard inside the house if we have any of our windows open.
- My cat is afraid and no longer uses the property near the lines.

I am so uncomfortable and offended from this power line noise that I would sell my property and move next week if I could. However:

- The price I paid for my property just 10 months ago has been dramatically de-valued due to this power line noise.
- I honestly can't image anyone in their right mind wanting to purchase this property.
- The property has been more than devaluated, it has been made worthless in my estimation. The property is no longer fit for human habitation.

I ask you to please hold the BPA fully accountable and responsible for this situation. There are several things the BPA could do:

- 1. Have them turn back the switch do proper impact studies and not allow them to adversely affect property owners nearby.
- 2. Have them fix these 30+ year old lines so the new power levels do not invade our properties with unacceptable noise levels
- 3. Have them bury the power lines
- 4. Have them purchase our properties at valuations previous to Sept. 29th.
- 5. Have them re-route to other lines to avoid the need to increase power on these lines

I would welcome you to come visit us in our home to experience this for yourself. It is hard to imagine until you have actually heard it for yourself. Also, we would welcome your attendance at a meeting the BPA has scheduled with homeowners at 7 p.m. on October 23rd at the Echo Falls County Club.

Sincerely Yours,

**RON WYDEN OREGON** 

516 Hart Senate Building Washington, DC 20510-3703 (202) 224-5244

web site: www.senate.gov/~wyden/ United States Senate

WASHINGTON, DC 20510-3703

May 26, 2000

ADMINISTRATOR'S OFC-LOG #: 2000 · C

RECEIPT DATE:

6.1.00

DUE DATE:

6.15.00

Mr. Stanley Speakes

Regional Director Bureau of Indian Affairs

U.S. Department of Interior

911 NE 11th Avenue

Portland, OR-97232

ASSIGN: KR-7C

cc: A3, K, KN, T, McFarland-KR-7C,

Estes-LC-7, Cowger-TR-3

regarding her problem with Pine

Committees:

Budget Commerce. & Transportation

**Oregon State Offices:** 

700 NE Multnomah St

Suite 450 Portland, OR 97232

(503) 326-7525

151 West 7th Ave

Energy & Natural Resources **Environment & Public Works** Special Committee on Aging

Dear Mr. Speakes:

I am writing on behalf of

Creek Ranch.

For your information, I am enclosing a copy of the letters sent to my office that provide further explanation. Please examine this case and afford every consideration possible consistent with your established policies and procedures.

I would also greatly appreciate it if you would be kind enough to inform

Suite 435 Eugene, OR 97401 (541) 431-0229

Sac Annex Building 105 Fir St Suite 201 La Grande, OR 97850

(541) 962-7691 U.S. Courthouse

310 West 6th St Room 118 Medford, OR 97501 (541) 858-5122

The Jamison Building 131 NW Hawthorne Ave Suite 107 Bend, OR 97701

(541) 330-9142 707 13th St. SE Sincerely,

Ann Boylan in my Portland office of your findings.

Thank you for your attention to this matter.

**RON WYDEN** 

United States Senator

Suite 285 Salem, OR 97301 RW/anb (503) 589-4555

CC: Judi Johansen

Administrator

Bonneville Power Administration

PO Box 3621

Portland, OR 97208

PRINTED ON RECYCLED PAPER

# S & C HUNT CLUB, LLC

| F F. C. T. | Creek | Ranch | fossi | 1 Oregon |   |
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Dear Senator,

and my family and I live on Pine Creek Ranch near Fossil My name is Oregon in Wheeler County. Pine Creek is the ranch that the BPA/Warm Springs Tribe purchased in 1999 with BPA Wildlife Mitigation Funds. My husband and I moved to the ranch in May 1999 to create and manage a private hunt club for the owner and his partner called Pine Creek Members Club. The Club operated less than one year. It was brought to our attention by a concerned friend that we were eligible for relocation benefits under the that works for ODOT Right of Way "Uniform Relocation and Real Property Acquisition Act of 1970". You can find reference to this act at their web site www.thwa.dot.gov/legsregs/directives/ctr49toc.htm. This act is the same act ODOT and Federal Highway use when they need to acquire property for a project. I brought this to the attention of Terry Luther (the tribe's representative) in early February 2000. I also brought it to the attention of John Cowger (BPA). Since we brought this to the attention of the agencies we have been juggled around, harassed, and treated very poorly. It wasn't until I wrote to Senator Smith on March 21, 2000 that we finally started getting some results from BPA. The BPA hired retired ODOT agent Allen Anderson in early April to once and for all handle this situation. Bob Easterling (our contact at BPA) assured me that Allen was a professional and that they (BPA) trusted he would be able to help us find "comparable replacement housing". Allen came out and met with us on April 7, 2000 to conduct the "occupant interview". We explained our unique situation about not only loosing our house but also our only form of employment when the BPA acquired Pine Creek. Allen gathered the needed information to begin the "housing study" and began the search "comparable replacement housing". Under normal conditions the process takes a few weeks and there are plenty of comparable rentals and the process goes quite smoothly. But this is not the case in Fossil Oregon. Allen was unable to locate a "comparable rental" so he had to turn to a section of the "Relocation Act" called "Housing of Last Resort". In this section of the act the agency has the options and power to do whatever is needed to relocate the "displaced persons" always trying to be cost efficient. With this in mind Allen began to look at homes for sale in the area because when its agreeable to the displaced person to become a homeowner the "act, encourages it". He found what appeared to all of us as the miracle house. It's a small three-bedroom home on 2.4 acres just out of Fossil. Allen brought this house to our attention and let us know that he did understand that the house was quite a bit smaller than our current house and that the "Act" allowed for the needed additions to be made. Allen had set a meeting with the BPA for May 5, 2000 at 1:00pm at which time he would bring his EXPERT opinion to them. The week before the meeting Allen had us fill out income verification forms, meet with the contractor to get the bid for the additions, and we also included a document from Norwest Mortgage pre-qualifying us for the house with the needed "down-payment assistance" from BPA. Allen had let us know that he had ran his proposal by his supervisor Lesley and they both agreed that it was the best solution to "our relocation". IM not sure what happened at that meeting on Friday May 5th but my family and I are once again waiting without the consideration of even a time frame for a decision to be made. I have contacted Allen twice since the meeting and he definitely seems to be frustrated and basically let us know he has no idea when the BPA will be making a decision or what it might be. We have tried for over a week to get a hold of Bob Easterling (BPA) by e-mail and phone with no response. We also have tried to call John Cowger (BPA) and John Wichman (FHWA) all with no response.

The "Act" clearly states that all occupants of property being acquired for a Federal Project must receive a "written notice" giving them their rights and benefits under the act. This notice should be given on the date the "negotiations" to acquire property began. We received our general notice on April 7, 2000, seven months after the land sale was COMPLETED. We have asked repeatedly for the date of "negotiations" and the proof of that date. We have also asked several times if the Tribe is still involved and if the money for this relocation is coming out of the same "wildlife mitigation funds" that the purchase of Pine Creek came from. We have gotten either no answer, no proof of the date of negotiations, or the answers were conflicting between the Tribe and BPA. IM sure your wondering why we aren't retaining legal counsel. Well that's simple the "Act" also clearly states there are no provisions for litigation fees. So basically we would retain an attorney to force the BPA/Tribe to follow the Law and win only to pay an outrageous attorney bill! We have retained counsel to help keep the Tribe in line because they are now our new landlords and have tried to force us into signing a detailed lease agreement giving them the right to "terminate our tenancy with or without cause". That statement is in direct conflict with the "Relocation Act". We have been paying the requested rent each month and sending it registered mail.

We truly feel that if the Tribe/BPA had been legally responsible in following the "Act" and giving us a written notice before we moved in last year we would not have moved to the area. But we did move, and with us came an outstanding reputation in our field and a clientele that trusted us. This reputation and trust was compromised with the land sale of Pine Creek and still is by us not being able to get moved on. When Pine Creek sold and we lost our employment we had to make the tough decision of what to do. We decided that we liked the Fossil area and our kids were doing so well in school and another move was not in their best interest, so we took the plunge and started our own business. We leased the exclusive hunting rights on local ranch and began to start our own Hunt Club. Our clients put their trust and money into our good name when we came to Pine Creek and we lost a couple of them when the Club we sold them was gone in less than a year. We weren't even given the courtesy of telling us our job and home was gone we had to read it in the paper and find out through uncomfortable calls from our members. Now with this never ending nightmare of not knowing where we are going to live, where we are going to put our pens, dog kennels and so many more important things we need to accomplish in the next two months in order for this Club to be a success, our reputation to our clients is again on the line!

I STARTED THIS LETTER AT 11:00AM. IT IS KNOW 3:18PM AND I JUST GOT OFF THE PHONE WITH JOHN COWGER BPA. HE SAID THE HOLD UP ON A DECISION WAS BECAUSE THE TRIBES ATTORNEY WAS OUT OF TOWN THIS WEEK. I ASKED HIM WHY THE TRIBE HAD INPUT BECAUSE BOB EASTERLING BPA TOLD MY HUSBAND THAT THE TRIBE HAD NO INVOLVEMENT! HIS ANSWER WAS YES THEY DO THEY ARE PARTNERS WITH BPA ON THIS PROJECT. I ASKED HIM IF THE MONEY WAS COMING FROM THE SAME FUNDS THAT THE PURCHASE OF PINE CREEK CAME FROM. HE DIDN'T ANSWER. HE DID SAY THAT THEY WERE GOING TO TALK TO THE TRIBE ABOUT RENTING THE HOUSE WE LIVE IN NOW UNTIL SOMETHING ELSE COMES ALONG. I TOLD HIM THAT WOULD'NT WORK BECAUSE AS I HAVE EXPLAINED TO THEM SO MANY TIMES WHEN THEY BOUGHT THE RANCH THEY TOOK OUR JOB AND OUR NEW JOB IS ONE HOUR AWAY FROM THIS HOUSE. THE ACT STATES THAT THE "COMPARABLE RENTAL" MUST BE WITHIN A "REASONALBE DISTANCE FROM YOUR WORK". I DELIVER 3 MEALS A DAY TO MY

The displaced person likely will need assistance in obtaining financing. For example, special counseling may be necessary in order to help the displaced person qualify for a mortgage. Perhaps the Agency itself will have to provide financing or structure a solution allowing the

displaced person to later qualify to purchase, e.g., to offer the dwelling initially for rent with an option to purchase agreement that would apply a portion of the rent to a downpayment. A number of other arrangements are conceivable.

#### 10.4.1.3.2. METHODS FOR PROVIDING HOUSING OF LAST RESORT

Agencies have broad latitude in how to use HLR authority. Housing of Last Resort may be provided on an individual basis (often a single case on a project), for an entire project, or anything in-between. Innovative methods are encouraged. HLR is a tool which is intended to respond to difficult or special needs and, in many cases, the best solution may be the one that does not fit a common mold. Whatever the method, it should be cost-effective. We have identified below some methods of providing HLR:

- 1. PAYMENTS IN EXCESS OF THE STATUTORY LIMITS
  - You may make payments in excess of the statutory limits of \$22,500 and \$5,250 if the computation of a Purchase Supplement or Rental Assistance payment so dictates.
- 2. REHABILITATION OF AND/OR ADDITIONS TO AN EXISTING REPLACEMENT DWELLING. The displacing agency may purchase an existing house and add a bedroom or make any repairs necessary to bring the house up to DSS standards. The agency may also remove barriers to the handicapped and construct special physical structures such as wheelchair ramps. The agency then may rent or sell the house to the displaced person.
- 3. **NEW CONSTRUCTION**

The agency may contract for the construction of new housing to be rented or sold to displaced persons for amounts within their financial means. There have been few projects that have necessitated large scale construction of new homes.

4. PROVISION OF A DIRECT LOAN OR USE OF OTHER FINANCIAL TECHNIQUES

This includes a wide range of financing instruments to assist a displaced person with the muscles

This includes a wide range of financing instruments to assist a displaced person with the purchase of an existing dwelling, for example:

- 1. MORTGAGE ASSISTANCE
  - A mortgage may be secured by the displaced person and the agency may pay a monthly amount to the mortgage holder to make up the difference between the normal P&I payment and the monthly payment the displaced person can afford.
- 2. MORTGAGE ORIGINATION

The agency may take back a mortgage from the displaced person at an interest rate and terms the displaced person can afford. The loan may bear interest or it may be interest free, depending upon the circumstances and the policies of the agency.

- 3. DOWNPAYMENT ASSISTANCE
  - The agency may contribute an amount toward the purchase price of a dwelling that will enable the remainder to be financed at a payment the displaced person can afford.
- 4. ANNUITY
  - The agency may negotiate with a financial institution such as a bank or an insurance company to deposit an amount which will generate a monthly payment by the institution to subsidize the rent or mortgage payment of a displacee.
- 5. PHYSICAL RELOCATION OF A DWELLING
  - The agency may move or pay for the move of an existing dwelling to the replacement site.
- 5. PURCHASE OF EXISTING HOUSING
  - The agency may purchase an existing dwelling which is to be rented or said to the displaced person.
- 6. REMOVAL OF BARRIERS TO THE HANDICAPPED
  - The agency may pay for the removal of barriers to the handicapped.
  - There are many variations and combinations of techniques and methods that can be used to provide housing. HLR should be considered a useful administrative tool which can free the process of providing replacement housing from the regular procedural constraints. It is a tool that invites innovation and creativity in solving unique or difficult replacement housing problems.





#### 10.4.1.3. REPLACEMENT HOUSING OF LAST RESORT

The Uniform Act requires that comparable, decent, safe, and sanitary replacement housing within a person's financial means be made available before that person may be displaced by a Federal or Federally-assisted program or project. When such housing cannot be provided under the provisions for Replacement Housing payments, the Act provides for Housing of Last Resort (HLR). HLR involves the use of payments in excess of statutory maximums or the use of other unusual methods of providing comparable housing.

Some agencies have used HLR since the early 1970s, but many others have not. With the issuance of the government-wide common rule in 1986, HLR provisions became a part of the regulations for all covered agencies. In the 1987 amendments to the Act, Congress strengthened the HLR provisions but required case-by-case justification for the use of payments in excess of the statutory maximums. This requires the Agency to make a determination that there is a reasonable likelihood that the project cannot proceed to construction in a timely manner because a comparable replacement dwelling(s) will not be available to a person(s) to be displaced. High replacement housing costs have been encountered more frequently in recent years. In 1971, when the Uniform Act was enacted, the average cost of a single family residence was approximately \$27,000. By 1984 the average cost had increased to over \$75,000. The statutory payment limits, unchanged until 1987, were sufficient to rehouse almost all displaced persons in the early 1970s, but became increasingly inadequate thereafter.

As of September 1988, almost \$112 million had been committed to HLR in the Federally-assisted highway program, alone.

#### 10.4.1.3.1. PLANNING FOR HOUSING OF LAST RESORT

When a project appears to include persons who cannot readily be moved using the regular relocation program benefits and/or procedures, i.e., when there is a unique housing need or when the cost of available comparable housing would result in payments in excess of the statutory payment limits (\$22,500 or \$5,250), you should consider using Housing of Last Resort. Of particular concern are large families, low-income persons (especially families), the elderly or handicapped, other persons with physical, social or emotional problems, tight accordatile hencing markets, large older dwellings, a large number of substandard dwellings within the project area, and similar situations. As the preceding list makes apparent, the need for HLR cuts across economic lines and is not limited to displaced persons with low incomes.

Using HLR effectively requires planning. Although it is not required, the acquiring agency may wish to develop a plan delineating the needs of displaced persons, the proposed method(s) of providing necessary housing, and consideration of the needed level of funding. The plan is a guide for action. Early advance planning will provide sufficient time for the Agency to consider a broad range of possible HLR alternatives and to avoid costly delays in construction.

Every effort should be made to identify potential HLR cases early. Some relocation agents have a tendency to postpone contacts with displaced persons with difficult housing needs. Knowing that HLR is a possibility may focus attention on a case early enough to enable the Agency to resolve the problem by the use of intensified but routine (non-HLR) relocation services. HLR should be used only when all regular relocation benefits and services are inadequate. The use of HLR to backstop an inefficient relocation operation is wasteful and, in addition, may be perceived as inequitable by persons who do not receive HLR benefits. HLR should not be a substitute for adequate leadtime or appropriate relocation advisory services.

The agency should obtain information about the needs, preferences, and intentions of the displaced person through in-depth interviews before planning housing solutions. There may be several possible solutions for each displaced person or group of displaced persons. Do not make assumptions about the acceptability of a particular housing proposal until all the options have been explored with the displaced person.

After discussing HLR housing proposals with the displaced person and receiving their concurrence, the Agency should obtain their written consent before implementing the chosen solution. In the absence of a displaced person's written agreement, the potential exists for a substantial expenditure on a proposal (for the construction of a house, for example) which the displaced person later may prove unwilling to accept.

Do not limit consideration of housing solutions to those that minimize the Agency's administrative involvement.

People who are displaced often have unique needs and housing solutions may have to be creative and individualized in order to meet those special needs. Merely providing the displaced person with more money to spend on housing may be administratively simple but more expensive than other housing solutions and may not address housing needs other than affordability.

In addition, try to plan a solution that will accommodate a displaced person's long-term housing needs. Persons receiving last resort assistance often are in tenuous positions and may find it difficult to maintain their situation after some period of time passes. One way of providing greater stability for some persons is to assist them to become homeowners. We encourage this approach when it is appropriate and concurred in by the displaced person.



April 7, 2000

General Notice of Relocation Rights

Dear

The property you are presently occupying has been acquired by the Confederated Tribes of the Warm Springs Reservation, utilizing federal funding provided by the Bonneville Power Administration.

Current plans indicate that you will be required to move from this property.

Occupants of dwellings, businesses, farms, and non-profit organizations who are displaced by the acquisition are entitled to various relocation benefits. Your rights and benefits are more extensively described in the brochure entitled "Your Rights and Benefits as a Displaced Person", a copy of which I have furnished with this letter.

You will not be required to move without at least 90 days advance written notice. At least one comparable dwelling must be made available, and you will receive written notification of its location.

We will provide you with reasonable relocation advisory services, including referrals to replacement properties, help in filing relocation claims, and other necessary assistance to help you successfully relocate.

You have the right to appeal any determination that is made as to your eligibility for, or the amount of, any payment.

I will be preparing a replacement housing study to help determine your relocation benefits. After my study has been completed and reviewed, I will be contacting you with more specific information about your relocation benefits.

If you have any questions, please contact me at 1-800-294-5702.

Sincerely,

Alien L. Anderson, SRAWA

Senior Relocation Specialist

Universal Field Services, Inc.

1214 Wallace Road NW, #321

Salem, OR 97304-3008

Oregon Live: 10-20-99 Tribes buy ranch to bolster wildlife

Page 3 of 3

steelhead, one of the last remaining native steelhead populations in the John Day.

Elk and deer winter on the ranch, antelope cruise through, and game birds such as chukar are abundant.

You can reach Courtenay Thompson at 503-221-8503 or by e-mail at courtenaythompson@news.oregonian.com.

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IQP

Archives Monday Tuesday Wednesday Thursday Friday Saturday Sunday U.S. government in 1855 and is rich with cultural sites, history and traditional tribal foods such as roots.

The cattle ranch just east of Clarno is also adjacent to both the John Day Fossil Beds National Monument and the Oregon Museum of Science and Industry's popular Hancock Field Station, an educational science camp that annually draws 3,000 students from Portland and elsewhere.

It is also near the 64,000-acre Big Muddy Ranch, the former Rajneesh outpost, which is now owned by Young Life Ministries. Powelson said Young Life was considering selling the tribes a conservation easement.

All told, "that's 200,000 acres basically under conservation," Powelson said.

Purchase of the Pine Creek Ranch from Warren Dan Eddleman, who has owned the ranch for the past five years, will also open the property back up to public access, tribal and federal officials said.

The tribes have been working with state and federal officials for the past two years to make the deal happen.

"It's the fulfillment of a longtime promise, obligation, to try to restore wildlife species and hunting opportunities and fisheries resources on part of our ceded territory," said Jody Calica, chief operations officer for the tribes.

Calica said the ranch would also be open for educational purposes, working with OMSI and other partners.

"It's an incredibly exciting piece of news that finally came to pass," said Joseph Jones, director of OMSI's Science Camps. "It's an incredibly valuable piece of property, from the standpoint of having an example of what the Lower John Day drainage should really look like."

The ranch provides habitat for 36 animal and plant species that are listed as sensitive, threatened or endangered. It also contains nearly the entire Pine Creek watershed -- 12 miles of spawning and rearing habitat for summer



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## The Gregonian

THE FULL STORY

# Tribes buy ranch to bolster wildlife

Warm Springs tribes pay \$5.6 million for land near Fossil that was ceded to the U.S. government in 1855

Wednesday, October 20, 1999

By Courtenay Thompson of The Oregonian staff

The Confederated Tribes of Warm Springs has purchased a 30,000-acre ranch near the Wheeler County town of Fossil that the tribes will manage to boost populations of wildlife and threatened steelhead.

The \$5.6 million Pine Creek Ranch is a biologically rich landscape of grasslands and cliffs and contains one of only four John Day tributaries where threatened wild steelhead still spawn.

Although the tribes are drafting a management plan, they intend to open the ranch for hunting to both tribal and nontribal members.

The ranch is being bought with wildlife mitigation funds from the federal Bonneville Power Administration. The federal agency is required by Congress to compensate the public for wildlife habitat destroyed by the construction of Columbia River dams.

"It is the first truly significant landscape-scale project done for wildlife in Oregon with Bonneville dollars," said Michael Powelson, fish and wildlife policy analyst for the Northwest Power Planning Council, which recommends projects for BPA funding.

The property is on lands the tribes ceded to the http://www.oregonlive.com/news/99/10/st102019.html

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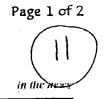
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# BPA, Tribes join to protect and retore 24,304 acres of prime wildlife habitat in Wheeler County

Click here for other BPA news releases

Bonneville Power Administration FOR IMMEDIATE RELEASE: TUESDAY, October 5, 1999 PR 65 99

CONTACTS: Perry Gruber (BPA), (503)230-3176

PORTLAND, Ore. - The Bonneville Power Administration has funded the purchase of 24,304 acres of wildlife habitat in Wheeler County, Ore., and the Warm Springs Tribe will manage it, the two entities announced today.

"This is an example of how ratepayer dollars are invested in environmental projects with potentially large dividends," said Judi Johansen, BPA administrator. "Our Native American partners will now take the project and enhance it as habitat for wildlife, including salmon and steelhead."

The Warm Springs Tribe purchased Pine Creek Ranch from its private owner for \$3.2 million using BPA funding from the agency's watershed and wildlife budget.

"This project represents the first opportunity for the Warm Springs tribes to manage wildlife acreage purchased to mitigate for habitat removed by the construction of dams," said Terry Luther, spokesman for the tribes. "It is prime wildlife habitat that will now be enhanced and protected in its natural state in perpetuity."

Pine Creek Ranch sprawls over the Pine Creek watershed, an area of approximately 42,000 acres of arid rangeland in northwestern Wheeler County. Pine Creek is a tributary of the main stem of the John Day River and has its confluence near Clarno, Ore.

The watershed is home to at least 36 animal and plant species that are listed as sensitive, threatened or endangered. It provides spawning and rearing habitat for one of the few remaining native steelhead populations in the lower John Day River basin. The watershed also provides wintering habitat for deer and elk.

Years of cattle ranching have severely damaged ecosystems on the land and in the tributaries and streams. BPA will work with the tribe over the next year to create a management plan to restore the ecosystem of the Pine Creek watershed through passive measures, primarily eliminating practices that have historically caused damage or gradual degradation of the watershed or prevented natural recovery of riparian zones and other areas on the land.

http://www.bpa.gov/corporate/kcc/nr/99nr/nr100599x.shtml

Should there be further questions or issues concerning contact this office or the Bonneville Power Administration.

or the Pine Creek Ranch, please

Sincerely, west Regional Director



### United States Department of the Interior



BUREAU OF INDIAN AFFAIRS Northwest Regional Office 911 N.E. 11th Avenue Portland, Oregon 97232-4169

APR 1 1 2000

Gordon H. Smith United States Senator One World Trade Center 121 SW Salmon Street Suite 1250 Portland, Oregon 97204

Dear Senator Smith:

We met with Representatives of Bonneville Power Administration (BPA) and secured the following information to respond to your concerns of regarding the Pine Creek Ranch.

The Confederated Tribes of the Warm Springs Reservation purchased the Pine Creek Ranch last fall with BPA wildlife mitigation funds.

BPA and the Tribe initially assigned personnel to determine the eligibility for relocation assistance benefits and locate replacement housing prescribed for displaced persons under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646). However, due to the contemplated difficulty and time required to locate comparable housing in the Fossil area, as well as the existing workload of the BPA and Tribal employees originally involved, BPA decided to contract for a relocation consultant who will be meeting with the on April 7th. Mr. Allen Anderson of Universal Field Services is a highly qualified, former Oregon Department of Transportation Relocation Assistance manager, who will promptly research the cligibility for benefits, document their eligibility and begin the search for comparable replacement housing.

In the interim, until replacement housing is located, the Tribe has agreed that the family may continue to occupy their Pine Creek Ranch residence until at least 90-days after available replacement housing has been offered, which is a requirement of the Act. The Tribe and the Pierce's are currently negotiating an interim lease agreement.

In addition, BPA confirmed with this morning April 6, 2000, that the Tribe has completed a repair of the house's sewer system to her satisfaction. There was some initial concern over who was responsible for the repair since the Tribe did not take possession of the property until April 1, but after the former owner refused to take responsibility, the Tribe agreed to fund the repair.

GORDON H. SMITH OREGON COMMITTEES:
BUDGET
ENERGY AND NATURAL RESOURCES
FOREIGN RÉLATIONS

### United States Senate

WASHINGTON, DC 20510-3704

April 12, 2000

Dear

It is a pleasure to be able to supply you with the enclosed information from the Bureau of Indian Affairs which I received in response to my inquiry on your behalf. I hope this information will be helpful to you.

Thank you for taking the time to contact me. Please let me know if you have any questions or feel I can be of further assistance with any other federally related matter.

Warm regards,

Gordon H. Smith United States Senator

GHS:jsr Enclosure

www.senate.gov/-gsmith oregon@gsmith.senate.gov

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March 21, 2000

Senator Gordon Smith,

I spoke with Nancy in your Portland office today and briefly explained my situation with her. She informed me that the best and only way to address the issue is in writing, so here we go.

My family and I live near Fossil Oregon on Pine Creek Ranch. Pine Creek is the ranch that the BPA/Warm Springs Tribe purchased is 1999. My husband and I manage a Hunt Club called Pine Creek Members Club that is located on the ranch. It was brought to our attention by a friend that works for ODOT (Cliff) that we were eligible for relocation benefits under the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970". I brought this to the attention of Terry Luther (the Tribes representative) in early February 2000. I also brought it to the attention of John Cowger (BPA). Since bringing it to the two agencies attention we have had one interview with BPA on February 25,2000 at which time they didn't make us eligible in writing. Cliff told us the law is very clear on the fact that they are to make you eligible within a reasonable time frame. We have had several phone conversations between the tribe and different people at BPA and I even contacted John Witchman at Federal Highway (FHWA) hoping that he might be able to speed this process along. Yesterday I e-mailed you online and also e-mailed the Chief Executive Administrator of BPA Judi Johansen. To make matters even more complicated the septic at this house is not working in fact all sewage and house water is pumping into a hole in the front yard and has been since early October of 1999. I have brought this to the attention of the land seller Dan Eddleman, the Tribe Terry Luther and BPA Bob Easterling. They are all again pointing fingers at who's responsibility this is and it has even been said by Dan Eddleman that it's "our" responsibility because quote "it worked when you moved in". While typing this letter to you I got a call from John at FHWA and it was his understanding that this relocation is the responsibility of The Tribe and that BPA is only supplying the money. This is not the way that I understood it. Bob Easterling explained it to me that BPA had an agreement with the Tribe to do the relocation but that it is the responsibility of BPA to oversee it.

IM sorry this is probably not making any sense at all. IM simply reaching out to anyone who might be able to help us. When Pine Creek sold it took our Home and our source of employment with it. We love the Fossil area and have had to take the plunge of starting our own business to stay here until our kids get out of school. We have been looking for a place to move but this area is extremely short on rentals and houses in general. With this in mind we looked at this relocation program with lots of optimism but now we're torn between throwing in the towel and letting the BPA and Tribe have there victory at our families expense or fighting this mess on principal

I would appreciate it more than you can imagine your feed back and input on this matter. Looking forward to hearing from you soon.

Sincerely-



GORDON H. SMITH

COMMITTEES: BUDGET ENERGY AND NATURAL RESOURCES FOREIGN RELATIONS

### United States Senate

WASHINGTON, DC 20510-3704

March 24, 2000

Mr. Stanley Speaks
Director
Bureau of Indian Affairs
911 NE 11th Avenue
Portland, OR 97232-4169

Dear Mr. Speaks:

Enclosed please find a copy of a letter I recently received from regarding Pine Creek Ranch. In an effort to provide my constituent with an appropriate reply, I would be grateful for your thorough review of this situation and appreciate any information you could provide regarding this matter.

After you have completed your review, please send your findings and comments to my Portland office at One World Trade Center, 121 SW Salmon Street, Suite 1250, Portland, Oregon 97204.

Thank you in advance for your prompt attention to this inquiry.

Warm regards,

Gordon H. Smith United States Senator

GHS:jsr Enclosure

Copy:

Mrs. Judi Johansen

Administrator

Bonneville Power Administration

P.O. Box 3621

Portland, OR 97208

www.senate.gov/-gsmith oregon@gsmith.senate.gov

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HUNTERS; ONE HOUR ONE WAY IS NOT REASONABLE! NOT TO MENTION THAT OUR "NOTICE" STATES THAT WE WILL BE REQUIRED TO MOVE (ATTACHED). I ALSO REMINDED HIM OF THE PROBLEMS THAT MY FAMILY HAS HAD WITH THE TRIBE AND THE PEOPLE THEY ALLOW ON THE PROPERTY. HE TOLD ME TERRY LUTHER (TRIBES REP) SAID I WASN'T PAYING RENT. THAT IS AN OUT AND OUT LIE! I SEND IT REGISTERED MAIL AND I HAVE RECEIVED THE RECIEPT FROM THE POST OFFICE BACK EACH MONTH INCLUDING MAY'S RENT AND THAT THE TRIBE SENT ME A PERSONAL RECEIPT FOR APRIL'S RENT. I ASKED WHEN THEY PLANNED TO MAKE THE DECISION AND HE SAID THEY HOPED TO HAVE AN ANSWER LATER NEXT WEEK. I THEN ASKED "IF I WERE TO CALL NEXT FRIDAY MAY 19 YOU SHOULD HAVE AN ANSWER?" HE SAID NOT NESESSARILY, THAT THIS COULD TAKE SOME TIME.

The two agencies have behaved not only illegally for the last year but now they are acting with no compassion for my families pain and suffering through this mess. If this doesn't get properly resolved quickly we are in jeopardy of loosing our business.

We looked to BPA to do the right thing after realizing their negligence because no matter how you look at it they are the Federal Agency responsible for following the Federal Act. And now with this possible decision to leave us in this house indefinitely we can only concluded that they are basing their decision on the "criteria of expense" instead of basing it on the "criteria of the Act" and the recommendation of the professional they hired. And I guess now as a last resort we turn to you our elected officials to once and for all hold them accountable and help us to get moved on with our lives and focus on our new business.

Anxiously awaiting your response,

Copies sent to:
Senator Gordon Smith
Senator Paul Wyden
Greg Walden
Linda Harrington
Hardy Myers
Lynn Lundquist
Courtney Thompson, Oregonian
Lee Anderson, Bend Bulletin
Times Journal, Condon Oregon
Eastern Oregonian, Pendleton Oregon
Allen Anderson, Right of Way Agent
Todd Westmoreland, Attorney
Greg Lynch, Attorney

Attachments: copy of original letter and response by Senator Smith, news release by BPA, Oregonian article on purchase of Pine Creek, our General Notice, Federal regulations on Housing of Last Resort

#### **Department of Energy**



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

**EXECUTIVE OFFICE** 

NOV 17 2000

In reply refer to: KR-7C

The Honorable Ron Wyden United States Senate Washington, DC 20510

Dear Senator Wyden:

This responds to your inquiry concerning of Hermiston, Oregon. The family currently owns a house located partially in a Bonneville Power Administration (BPA) transmission right-of-way.

As background, in 1950, BPA acquired a perpetual transmission line easement over a portion of property currently owned by

BPA initially built one transmission line on the property, on one side of the easement area. BPA had long-range plans to put an additional transmission line on the vacant portion of the right-of-way. That easement document was recorded in the county records and clearly indicates the 250 foot width and that the edge of the easement is 187 feet east of the existing transmission line. The house is also east of the existing line. The easement clearly states that BPA has the right to keep the right-of-way free and clear of all structures and fire hazards.

In 1964, a subsequent landowner built this house partially (20 feet) on BPA's right-of-way. The homebuilder had not notified BPA of the new house construction. BPA, through its maintenance activities, noticed the new house and contacted the homebuilder to advise that the new house was on BPA right-of-way and was not permitted. BPA, in negotiations with the homebuilder, then permitted the house to remain until BPA firmed up plans to build a new line. The permit stated that BPA would provide 60 days notice for the owner to remove the house once these plans were firm.

The homebuilder with the permit then sold the property. We have no way of knowing if the next owner had knowledge of our permit, as we understand he is deceased. The who were next to own this property, have indicated that nothing was disclosed to them about this situation when they bought the house approximately 15 years ago. While the permit issued in 1964 was not recorded in the county records, the easement that clearly identifies the location and extent of BPA rights was recorded. We believe obtained a title policy when he acquired his property, but chose not to investigate the conditions and location of the BPA easement on his property that was identified on the title policy.

This past summer, BPA signed an agreement with Hermiston Power Partnership/Calpine. This agreement provides for the construction of a new 500,000-volt transmission line within BPA's above mentioned right-of-way to integrate power generated by a new generating plant into the BPA transmission system. BPA then began making plans to build this project. This included having the existing right-of-way surveyed. Once the survey results were received, it became clear that this house and several other structures on this right-of-way would need to be moved.

Shortly after BPA identified that this house needed to be removed, BPA initiated contact with by letter dated October 16, 2000. This letter mentioned the permit which provided for 60 days notice, but went on to acknowledge that we realize this is short notice and asked for to contact us to discuss a timeline that is reasonable for them.

We have since met with on several occasions. Each time, we have repeated that we are willing to work with them and that the timeframe is flexible. In addition to the house, they also own a shed, well, and pump house on the right-of-way.

BPA recently settled a lawsuit we had to initiate against another landowner in this vicinity whose mobile home and several other structure were completely on our right-of-way. The U.S. District Court entered its Final Order requiring that landowner to move his home and other structures off the BPA easement. BPA agreed to assist the landowner in the amount of \$5,000. Last month, the owner completed all removal efforts.

BPA, in its second meeting with made a similar offer of \$5,000 to him. In addition, BPA is working with to allow his shed, well, and pump house to remain on the right-of-way.

Construction on the transmission line is scheduled to begin in August 2001. Our efforts to work with the and other landowners to resolve these situations will continue as a matter of high priority and importance.

When resolved, we will advise you accordingly.

Sincerely,

Judith A. Johansen

Administrator and Chief Executive Officer